

MONTANA LEGISLATIVE HISTORY

Chapter 388 19 75

Bill H _____ S 32

Original bill & history ☒ C

H. Committee on Taxation

Hearing Date(s) 3-10 _____ C

3-15 _____ C

_____ C

_____ C

Date Out 3-15 _____ C

S. Committee on Taxation

Hearing Date(s) 1-16 _____ C

1-17 _____ C

1-21 _____ C

_____ C

DATE Out 1-21

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

COMMITTEE ON TAXATION

SENATE BILL NO.	ENTERED COMM.	DATE CONSIDERED	OUT OF COMM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMEND. DATE	BE CON- CURRED IN DATE	BE CONC. IN AS AMENDED DATE	BE NOT CON- CURRED IN DATE
10	1/7	1/10 1/16 2/11							
11	1/7	1/10 2/7	2/7		2/7				
12	1/7	1/8 2/7	2/7		2/7				
13	1/7	1/22 1/28	1/31			1/13			
14	1/7	1/21 1/28	1/28			1/28			
17	1/7 1/11	1/8 1/11	1/8 1/17			1/17			
20	1/7	1/8 1/10	1/10		1/10				
23	1/7	2/12 2/21 2/23	2/23			2/23			
24	1/7	1/11 1/17	1/17			1/17			
27	1/24	1/31	1/31	1/31					
29	1/8	1/16 1/21 ^{2/26}	2/26			2/26			
32	1/8	1/16 1/21	1/17	1/17					
34	1/9 1/23	1/17	1/17			1/17 1/24			
42	1/10	2/21 2/22	2/22		2/22				
64	1/13	1/17	1/17	1/17					
66	2/1 2/6								
67	1/13	2/7	2/7		2/7				

(Use Separate Sheet for Senate, House Bills, and Resolutions)

1 *Senate* BILL NO. *32*
2 INTRODUCED BY *Ferdinand Turnage, Enchy LYNCH*
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE TIME OF
5 ASSESSMENT OF PROPERTY FROM THE FIRST MONDAY IN MARCH TO THE
6 FIRST DAY OF JANUARY BY AMENDING SECTIONS 7-122, 16-4019,
7 53-639.1, 46-2704, 46-2804, 46-2809, 81-928, 84-406, 84-409,
8 84-410, 84-510, 84-3808, 84-3809, 84-4192, 84-4209, 84-4604,
9 84-4605, 84-4606, 84-5801, 84-6012, 84-6013, 89-1805, AND
10 89-1806, R.C.M. 1947, AND CHANGING THE TIME FOR WITHDRAWAL
11 FROM A PUBLIC HOSPITAL DISTRICT AND FOR CHANGING BOUNDARIES
12 OF AN ELEMENTARY SCHOOL DISTRICT TO COINCIDE WITH THE
13 JANUARY 1 ASSESSMENT DATE BY AMENDING SECTIONS 16-4311 AND
14 75-6505, R.C.M. 1947."

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 Section 1. Section 7-122, R.C.M. 1947, is amended to
18 read as follows:

19 "7-122. Taxation of associations. Every association
20 shall be assessed for and pay taxes upon all real and
21 personal property owned by such association, and also upon
22 the moneyed capital employed in such business, such moneyed
23 capital to be ascertained by deducting from the amount of
24 bonds, notes and other evidences of indebtedness, including
25 evidences of indebtedness secured by mortgage on real estate

1 or personal property, of such associations, the amount
2 standing to the credit of the members of any such
3 association, upon its books, and any indebtedness
4 representing money borrowed for use as moneyed capital.
5 Said moneyed capital as so ascertained shall be taxed at the
6 same rate and take the same classification as shares of
7 stock in a national bank or moneyed capital coming into
8 substantial competition therewith. The secretary of every
9 such association shall furnish to the department of revenue
10 or its agent in the county in which the principal office of
11 such association is located, within five (5) days after
12 demand therefor, a condensed statement verified by his oath,
13 of the resources and liabilities of such association as
14 disclosed by its books, at twelve o'clock noon on the first
15 Monday-of-March day of January in each year; if such
16 secretary shall fail to make the statement hereby required,
17 the department or its agent shall forthwith obtain such
18 information from any other available source, and for this
19 purpose he shall have access to the books of such
20 association. The department or its agent shall thereupon
21 make an assessment of the real estate and personal property
22 owned by such association, and of the moneyed capital
23 employed in the business of such association, which
24 assessment shall be as fair and equitable as he may be able
25 to make from the best information available, or the

1 department or its agent may, for the purpose of said
 2 assessment, adopt the figures disclosed by any prior report
 3 made by such association to any state or federal officer
 4 pursuant to any state or federal law. Any person required
 5 by this section to make the statement hereinabove provided,
 6 who shall fail to furnish the same, shall be guilty of a
 7 misdemeanor and shall be punished accordingly.

8 The amount standing to the credit of each member of any
 9 such association, upon its books, shall be considered and
 10 held as the individual credit of each member, and each
 11 member shall list the shares held by him for taxation, at
 12 their real value in money, in the county of his residence,
 13 the same as other credits are listed, except shares from
 14 which loans have been made, or money advanced, by the
 15 association, and as to such shares they shall be listed for
 16 taxation at the net cash value of the stock, to be
 17 ascertained by deducting the loan from the cash value of the
 18 shares. Associations organized under or controlled by this
 19 act shall be subject to taxation in no other way."

20 Section 2. Section 16-4019, R.C.M. 1947, is amended to
 21 read as follows:

22 "16-4019. Assessment of property. The county assessor
 23 of a county abandoned and abolished under the provisions of
 24 this act shall, within ten (10) days after it comes to exist
 25 deliver to the county assessor of each county to which any

1 part of its territory had been attached and become a part of
 2 all assessment lists, reports, documents and instruments
 3 relating to, concerning, or in any way affecting the
 4 assessment during the then current assessment year of all
 5 taxable property within such portion of such abandoned and
 6 abolished county, and it shall be the duty of the assessor
 7 of the county, to whom such assessment lists, reports,
 8 documents and instruments have been delivered by the
 9 assessor of the abandoned and abolished county, to complete
 10 all assessments and to fully assess, during the then current
 11 assessment year, all taxable property situated or located,
 12 on the first ~~Monday-of-March~~ day of January of such year,
 13 within the boundaries of such part of such abandoned and
 14 abolished county, and each such county assessor shall, in
 15 all matters and things connected in any way with the making
 16 of such assessments, have, possess and exercise all of the
 17 powers and rights and shall perform all of the duties which
 18 the assessor of the abandoned and abolished county would, or
 19 could have had, possessed, exercised or performed if such
 20 county had not been abandoned and abolished. The county
 21 assessor of such abandoned and abolished county shall, until
 22 twelve (12:00) o'clock midnight of the thirtieth day of June
 23 when said county ceases to exist, aid and assist the county
 24 assessors of the counties to which any part of the territory
 25 so to be abandoned and abolished will be attached and made a

part, in the listing and assessing of all taxable property situated or located within each of such counties to the end that all taxable property within the boundaries of such abandoned county will be fully assessed and taxed."

Section 3. Section 53-639.1, R.C.M. 1947, is amended to read as follows:

"53-639.1. Special mobile equipment--exemption from registration and payment of fees and charges--identification plate--application--fee--publicly owned special mobile equipment. (1) A person, firm, partnership, or corporation who owns, leases, or rents special mobile equipment as defined in section 53-642 and occasionally moves that equipment on, over, or across the highways of the state, is not subject to registration of that equipment or required to pay the fees and charges provided for in chapters 32 through 35 of Title 32. Prior to movement on the highways, however, each piece of equipment shall display an equipment identification plate or a dealers' license plate attached to the equipment.

(2) Annual application for the identification plate shall be made to the county treasurer before any piece of equipment is moved on the highways. Application shall be made on a form furnished by the department of justice, together with the payment of a fee of five dollars (\$5). The equipment for which a special mobile equipment plate is

sought, is subject to the assessment of personal property taxes ~~either~~ on the date application is made for the plate, ~~if that date falls between the first day of January and the first Monday of March, or on the first Monday of March.~~ The personal property taxes assessed against the special mobile equipment must be paid before the issuance of a special mobile equipment plate. The fees collected under this section belong to the county road fund.

(3) The identification plate expires on ~~March~~ December 31 of each year.

(4) Publicly owned special mobile equipment, and implements of husbandry used exclusively by an owner in the conduct of his own farming operations, are exempt from this section."

Section 4. Section 46-2704, R.C.M. 1947, is amended to read as follows:

"46-2704. Tax levy--special fund. Said county livestock protective committee may recommend to the board of county commissioners the levy of a tax in an amount not to exceed twenty-five cents (25¢) per head on all assessable cattle in the county on the first ~~Monday--of--March~~ day of January and the board of county commissioners shall thereupon be empowered to levy such tax, to be collected as other taxes on personal property, and when collected to be deposited by the county treasurer in a special fund to be

1 known as the stockmen's special deputy fund, together with
2 any other funds made available from county, state, federal
3 or private sources for the purposes of this act."

4 Section 5. Section 46-2804, R.C.M. 1947, is amended to
5 read as follows:

6 "46-2804. Tax levy--deposit of proceeds. Said district
7 cattle protective committee may recommend to the board of
8 county commissioners the levy of a tax in an amount not to
9 exceed twenty-five cents (25¢) per head on all assessable
10 cattle in the district on the first ~~Monday-of-March~~ day of
11 January and the board of county commissioners shall
12 thereupon be empowered to levy such tax, to be collected as
13 other taxes on personal property, and when collected to be
14 deposited in the county treasury of one of the counties in
15 the district, to be selected by the district cattle
16 protective committee, in a special fund to be known as the
17 stockmen's special deputy fund, together with any other
18 funds made available from county, state, federal or private
19 sources for the purposes of this act."

20 Section 6. Section 46-2809, R.C.M. 1947, is amended to
21 read as follows:

22 "46-2809. Tax levy--deposit of proceeds. Said district
23 cattle protective committee may recommend to the board of
24 county commissioners the levy of a tax in an amount not to
25 exceed twenty-five cents (25¢) per head on all assessable

1 cattle in the district on the first ~~Monday-of-March~~ day of
2 January and the board of county commissioners shall
3 thereupon be empowered to levy such tax, to be collected as
4 other taxes on personal property, and when collected to be
5 deposited in the county treasury in a special fund to be
6 known as the stockmen's special deputy fund, together with
7 any other funds made available from county, state, federal
8 or private sources for the purposes of this act."

9 Section 7. Section 81-928, R.C.M. 1947, is amended to
10 read as follows:

11 "81-928. Land subject to taxation. (1) State lands
12 purchased from the state are subject to taxation to the full
13 value thereof. The department of revenue shall assess the
14 purchaser for the full value of the land on the first ~~Monday~~
15 ~~of-March~~ day of January following the date of purchase. The
16 holder of certificates of purchase to lands within
17 irrigation districts is liable for the entire tax levied
18 against the land thereunder on account of such irrigation
19 district.

20 (2) The improvements on the land shall be assessed and
21 taxed as other improvements on farm lands.

22 (3) On or before ~~March~~ January 15 of each year, the
23 department shall furnish the department of revenue or its
24 agent in each county with a complete list of all state lands
25 sold in his county during the year ending on the previous

December 31 ~~the--first-Monday-of-March-of-each-year.~~ This list shall show the name and address of the purchaser, the legal description of the land, and the acreage contained therein."

Section 8. Section 84-406, R.C.M. 1947, is amended to read as follows:

"84-406. Time of assessment--motor vehicles--mobile homes--livestock--snowmobiles. (1) The department of revenue or its agent must, between the first Monday-of-March day of January and the second Monday of July in each year, ascertain the names of all taxable inhabitants, and assess all property in each county subject to taxation, except such as is required to be assessed by the state department of revenue, and must assess such property to the persons by whom it was owned or claimed, or in whose possession or control it was at 12 midnight of the first Monday--of--March day of January next preceding. It must also ascertain and assess all mobile homes arriving in ~~his~~ the county after 12 midnight of the first Monday-of-March day of January next preceding. The procedure provided by this section shall not apply to:

(a) Motor vehicles which are required by subdivision (2) hereof to be assessed as of the first day of January; but no mistake in the name of the owner or supposed owner of real property renders the assessment thereof invalid.

(b) Livestock being fed in feeding pens or enclosures which may ~~be~~ by subdivision (3) of this section be assessed on an average inventory basis. Credits must be assessed as provided in section 84-101, subdivision 6.

(c) Property defined in section 53-642 as "special mobile equipment" ~~shall-be~~ which is subject to assessment of personal property taxes ~~either~~ on the date that application is made for a special mobile equipment plate, ~~if-that-date falls-between-the-first-day-of-January-and-the-first--Monday-of-March,--or-on-the-first-Monday-of-March.~~

(d) Mobile homes held by a distributor or dealer of mobile homes as a part of his stock in trade.

(e) Snowmobiles and campers which are required by subdivision 4 hereof to be assessed as of the first day of January.

(2) The department or its agent must ascertain and assess all motor vehicles, except mobile homes, in each county subject to taxation as of January 1 in each year, and the same shall be assessed to the persons by whom owned or claimed, or in whose possession or control such vehicle was at 12 midnight of the first day of January in each year. Provided that such tax shall not be assessed against motor vehicles which constitute inventory of motor vehicle dealers as of January 1, but said vehicles, and all other motor vehicles brought into the state subsequent to January 1, as

5 B 32

motor vehicle dealer's inventory, shall be assessed to their respective purchasers as of the dates said vehicles are registered by said purchasers, and purchasers means and includes dealers who apply for registration or re-registration of motor vehicles, except as otherwise provided by section 32-3315. Goods, wares and merchandise of motor vehicle dealers, other than new motor vehicles and new mobile homes, shall ~~continue to~~ be assessed at full and true value as of the first Monday-of-March day of January.

Except that this paragraph shall not apply to an applicant for registration or re-registration of a mobile home, nothing herein contained shall relieve the applicant for registration or re-registration of any other motor vehicle so assessed or subject to assessment of the duty of paying taxes thereon as a condition precedent to registration or re-registration in the event said taxes have not been paid by any prior applicant or owner in all cases where required to be paid.

(3) The assessed value of livestock being fed in feeding pens or enclosures on the first Monday-in-March day of January may be computed by adding the value of livestock more than six (6) months of age being fed on the last day of each month since the last assessment date and dividing the sum by twelve (12).

(4) The department of revenue or its agent must

ascertain and assess all snowmobiles and campers in each county subject to taxation as of January 1 in each year, and the same shall be assessed to the persons by whom owned or claimed, or in whose possession or control such snowmobile or campers was, including dealers, at 12 M midnight of the first day of January in each year, ~~provided, however, that snowmobiles--and--campers--which--constitute--inventory--of snowmobile--dealers--and--camper-dealers--shall--be--assessed--to the--dealers--as--of--12-M--of--the--first--Monday--of--March--in--each year.~~

Section 9. Section 34-409, R.C.M. 1947, is amended to read as follows:

"34-409. Statement--what to contain. The department of revenue or its agent must require from each person a statement under oath setting forth specifically all the real and personal property owned by such person, or in his possession, or under his control at twelve o'clock ~~at~~ midnight on the first Monday-in-March day in January. Such statement must be in writing, showing separately:

1. All property belonging to, claimed by, or in the possession, or under the control or management of such person.

2. All property belonging to, claimed by, or in the possession, or under the control or management of any firm of which such person is a member.

1 3. All property belonging to, claimed by, or in the
2 possession, or under the control or management of any
3 corporation of which such person is president, secretary,
4 cashier, or managing agent.

5 4. The county in which such property is situated, or
6 in which it is liable to taxation, and (if liable to
7 taxation in the county in which the statement is made) also
8 the city, town, school district, road district, or other
9 revenue districts in which it is situated.

10 5. An exact description of all lands in parcels or
11 subdivisions, not exceeding six hundred and forty acres
12 each, and the sections and fractional sections of all tracts
13 of land containing more than six hundred and forty acres
14 which have been sectionized by the United States government;
15 improvements, and personal property, including all vessels,
16 steamers, and other watercraft, and all taxable state,
17 county, city, or other municipal or public bonds, and the
18 taxable bonds of any person, firm, or corporation, and
19 deposits of money, gold dust, or other valuables, and the
20 names of the persons with whom such deposits are made, and
21 the places in which they may be found; all mortgages, deeds
22 of trust, contracts, and other obligations by which a debt
23 is secured, and the property in the county affected thereby.

24 6. All solvent credits, secured or unsecured, due or
25 owing to such person or any firm of which he is a member, or

1 due or owing to any corporation of which he is president,
2 secretary, cashier, or managing agent.

3 Whenever one member of a firm, or one of the proper
4 officers of a corporation, has made a statement showing the
5 property of the firm or corporation, another member of the
6 firm, or another officer, need not include such property in
7 the statement made by him; but this statement must show the
8 name of the person or officer who made the statement in
9 which such property is included.

10 7. All depots, shops, stations, buildings, and other
11 structures erected on the space covered by the right of way,
12 and all other property owned by any person, corporation, or
13 association of persons, owning or operating any railroad
14 within the county.

15 The fact that such statement is not required, or that a
16 person has not made such statement under oath, or otherwise,
17 does not relieve his property from taxation."

18 Section 10. Section 84-410, R.C.M. 1947, is amended to
19 read as follows:

20 "84-410. Department of revenue to furnish blanks, etc.
21 The department of revenue must furnish its agents with blank
22 forms of the statements provided for in the preceding
23 section, affixing thereto an affidavit, which must be
24 substantially as follows: "I,...., do swear that I am a
25 resident of the county of(naming it), and that my

post-office address is; that the above list contains a full and correct statement of all property subject to taxation, which I, or any firm of which I am a member, or any corporation, association, or company of which I am president, cashier, secretary, or managing agent, owned, claimed, possessed, or controlled at twelve o'clock ~~m~~^{midnight} on the first ~~Monday-in-March~~ day of January last, and which is not already assessed this year; and that I have not in any manner whatsoever transferred or disposed of any property, or placed any property out of said county or my possession for the purpose of avoiding any assessment upon the same, or of making this statement; and that the debts therein stated as owing by me are justly due and owing to others." The affidavit to the statement on behalf of a firm or corporation must state the principal place of business of the firm or corporation, and in other respects must conform substantially to the preceding form. The time when taxes become delinquent, and the time of the meeting of the county tax appeal board, must be stated in such form."

Section 11. Section 84-510, R.C.M. 1947, is amended to read as follows:

"84-510. List of lands sold by state to be transmitted by state land agent. On or before the first ~~Monday-in--March~~ day of January in each year, the state land agent must make out and transmit to the department of revenue where lands or

lots lie that ~~may~~ have been sold by the state, for which certificates of purchase, patents, or deeds have issued, during the year preceding, certified lists of such lands or lots, giving a description thereof by divisions or subdivisions, or lots and blocks, together with the names of the purchasers thereof."

Section 12. Section 84-3808, R.C.M. 1947, is amended to read as follows:

"84-3808. Tax on personal property lien on realty--separate assessment. (a). Every tax due upon personal property is a prior lien upon any or all of such property, which lien shall have precedence over any other lien, claim or demand upon such property, and except as hereinafter provided, every tax upon personal property is also a lien upon the real property of the owner thereof, from and after 12 ~~m~~^{midnight} of the first ~~Monday-in-March~~ day of January in each year.

(b). The taxes upon personal property based upon a taxable value up to and including one thousand dollars (~~\$1000.00~~) (\$1000) shall be a first and prior lien upon the real property of the owner of such personal property; taxes upon personal property based upon the taxable value thereof in excess of one thousand dollars (~~\$1000.00~~) (\$1000) shall be a first and prior lien upon the real property of the owner unless the owner or holder of any mortgage or other

lien upon said real property appearing of record in the office of the clerk and ex officio recorder of the county where such real property is situated at or before the time such personal property tax attached thereto shall have filed the notice hereinafter provided for, in which event the taxes upon such excess of one thousand dollars (~~\$1000.00~~) (\$1000) of taxable value shall not be a lien on the real property of such owner. It shall be the duty of the county treasurer to issue to any mortgagee or lien holder, upon his request, a statement of the personal property tax due upon the taxable value up to and including one thousand dollars (~~\$1000.00~~) (\$1000) and personal property taxes upon a taxable value up to one thousand dollars (~~\$1000.00~~) (\$1000) may be paid, redeemed from a tax sale as by law provided, or discharged separate from any personal property taxes in excess of such amount. Payment of such taxes upon a taxable value up to one thousand dollars (~~\$1000.00~~) (\$1000) as herein provided, shall operate to discharge the tax lien upon the personal property of the owner to the extent of such payment in the order that the person paying such tax shall direct.

(c). The holder of any mortgage or lien upon real property who desires to obtain the benefits of this section shall file in the office of the county treasurer of said county a notice giving;

- (1) the name and address of the mortgagee and holder of the mortgage or lien;
- (2) the name of the reputed owner of the land;
- (3) the description of the land;
- (4) the date of record and expiration of the mortgage or lien;
- (5) the amount thereof; and

(6) a statement that he claims the benefit of the provisions of this section; and such notice shall be ineffectual as to any taxes which shall have become a lien on real property prior to the filing of such notice as aforesaid. If the mortgage be not paid at maturity, such notice shall thereafter be filed annually, unless the mortgage be extended for a definite period to be stated in such notice.

(d). Provided, that any owner of a mortgage on real estate upon which personal property taxes are by this act made a lien, and where the owner of such real estate and personal property has failed to pay taxes due upon such real estate and personal property for one or more years, may file with the department of revenue or its agent in the county in which such property is located a written request to have the personal property and real estate of the owner separately assessed. Such request must be made by registered mail at least ten (10) days prior to the first ~~Monday in~~ March day

S/B 32

1 of January in the year for which property is assessed. Upon
2 receipt by the department of revenue or its agent of such
3 request, it is hereby made the duty of the department of
4 revenue or its agent to make a separate assessment of real
5 and personal property of the owner thereof and such personal
6 taxes shall not be a lien upon the real estate so mortgaged
7 of the owner thereof and the said personal property taxes
8 shall be collected in the manner provided by law for other
9 personal property."

10 Section 13. Section 84-3809, R.C.M. 1947, is amended
11 to read as follows:

12 "84-3809. Tax upon real property and tax on
13 improvements a lien upon both. Every tax due upon real
14 property is a lien against the property assessed; and every
15 tax due upon improvements upon real estate assessed to
16 others than the owner of the real estate is a lien upon the
17 land and improvements; which several liens attach as of the
18 first Monday-of-March day of January in each year."

19 Section 14. Section 84-4192, R.C.M. 1947, is amended
20 to read as follows:

21 "84-4192. Land subject to taxation to purchaser--when.
22 On the first Monday-of-March day of January following the
23 execution of such contracts or deed the land shall be
24 subject to taxation in the name of the purchaser or his
25 assignee and in the event the taxes are not paid and the

1 same become delinquent said contract shall be subject to
2 cancellation and all payments theretofore made shall be
3 taken, treated, and regarded as rent for said property."

4 Section 15. Section 84-4209, R.C.M. 1947, is amended
5 to read as follows:

6 "84-4209. Rate of taxation where property is taxable.
7 All rates of tax levy set by the board of county
8 commissioners on the second Monday in August of each year,
9 shall apply permanently to this class of personal property
10 during the ensuing year, and the treasurer shall, upon
11 collection of any such taxes, immediately distribute the
12 money so collected to the various and proper funds in his
13 charge. Personal property which was in the state and and
14 subject to taxation on the first Monday-of-March day of
15 January of any year shall be taxable wherever and whenever
16 found in any county in the state, whether the same be owned,
17 claimed, or possessed by the person owning, claiming or
18 possessing it on the first Monday-of-March day of January or
19 not; provided, that in case the same property is assessed in
20 more than one county, the county first making the assessment
21 shall be entitled to collect the taxes; provided further,
22 that if the rate of taxation fixed for the year in which the
23 collection is made is an increase over the preceding year's
24 levy, then the said board of county commissioners may direct
25 the county treasurer to collect the amount of such increased

1 levy, but shall not be obliged to do so in cases where, in
 2 the opinion of the board, the cost of collection would
 3 exceed the amount of such increase, and provided further
 4 that if the rate fixed for the year in which the collection
 5 is made shall be less than the levy for the preceding year,
 6 then the person from whom such excess tax was collected may
 7 file with the board of county commissioners a duly verified
 8 claim for a refund of such excess tax, at any time before
 9 the first day of November of the year in which such an
 10 excess was collected, and such claim shall be allowed and
 11 ordered paid by the board of county commissioners to the
 12 amount of such excess."

13 Section 16. Section 84-4604, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4604. Statements to be furnished by officers. The
 16 cashier of every national bank shall make and deliver to the
 17 department of revenue or its agent in the county in which
 18 said bank is located, within five days after demand
 19 therefor, a statement, verified by his oath, showing the
 20 name of each shareholder, with his residence and the number
 21 of shares belonging to him at the close of business ~~the day~~
 22 ~~next-preceding-the-first-Monday-in-March,-in~~ on December 31
 23 each year, as the same then appeared on the books of said
 24 bank, and showing the face value of the capital stock, and
 25 the amount of surplus and undivided profits of said bank,

1 and an estimate of the value for which such stock shall be
 2 assessed. If said cashier fails to make such statement as
 3 required, the department of revenue or its agent shall
 4 forthwith obtain said information from the officers of the
 5 bank and for this purpose shall have access to the books of
 6 the bank, and the department or its agent shall therefor
 7 make an assessment of such stock, which shall be as fair and
 8 equitable as can be made from the best information
 9 available, or the figures disclosed by any prior report of
 10 the officers or directors of the bank, made to any state or
 11 federal officer to whom such bank is by law required to make
 12 reports, may be adopted."

13 Section 17. Section 84-4605, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4605. Taxation of banks and shares of stock in.
 16 (1) Every state bank or banking corporation located and
 17 doing business in this state, and every private banker doing
 18 business in this state, shall be taxable upon the value of
 19 all real estate and personal property owned by such bank,
 20 banking corporation or private banker, and also upon the
 21 moneyed capital employed in such business, such moneyed
 22 capital to be ascertained as provided by section 84-301; and
 23 the cashier or secretary of every such bank or banking
 24 corporation, and every such private banker, shall furnish to
 25 the department of revenue or its agent in the county in

SB32

1 which its or his bank is located, within five days after
 2 demand therefor, a statement verified by his oath, showing
 3 all the resources and liabilities of such bank as disclosed
 4 by its books, at ~~twelve-o'clock-noon-on-the-first-Monday-of~~
 5 March-in-each the close of business on December 31 of the
 6 preceding year; if such cashier, secretary or private
 7 banker shall fail to make the statement hereby required, the
 8 department or its agent shall forthwith obtain such
 9 information from any other available source, and for this
 10 purpose shall have access to the books of such bank, banking
 11 corporation or private banker. The department or its agent
 12 shall thereupon make an assessment of the real estate and
 13 personal property owned by such bank, banking corporation or
 14 private banker, and of the moneyed capital employed in the
 15 business of such bank, banking corporation or private
 16 banker, which assessment shall be as fair and equitable as
 17 can be made from the best information available or, for the
 18 purpose of said assessment the figures disclosed by any
 19 prior report made by such bank, banking corporation or
 20 private banker to any state or federal officer pursuant to
 21 any state or federal law may be adopted. Any person
 22 required by this section to make the statement hereinabove
 23 provided, who shall fail to furnish the same, shall be
 24 guilty of a misdemeanor and shall be punished accordingly.

25 (2) All shares of stock in any such bank or banking

1 corporation shall be assessed at their full cash value,
 2 except to the extent that that value is represented in
 3 property which is assessable and taxable to such bank or
 4 banking corporation in this state, and shall be taxable to
 5 the owners of such shares in the county, school district,
 6 city, town, or place where such bank or banking corporation
 7 is located and not elsewhere, whether or not the owners of
 8 such shares are residents of such county, school district,
 9 city, town or place.

10 (3) The cashier or secretary of any such bank or
 11 banking corporation shall furnish to the department or its
 12 agent, upon demand, the name of each stockholder with his
 13 residence and the number of shares belonging to him at
 14 twelve-o'clock-noon-of-the-first-Monday-in-March-of-each the
 15 close of business on December 31 of the preceding year; and
 16 if such cashier or secretary, for more than five days after
 17 such demand, shall fail to furnish such information, he
 18 shall be guilty of a misdemeanor and the department or its
 19 agent may obtain such information from any other available
 20 source, and for such purposes shall have access to the books
 21 of such bank or banking corporation. For convenience the
 22 assessment of such shares shall be entered on the personal
 23 property assessment list under the name of the bank or
 24 banking corporation concerned, but in the assessment list
 25 the names of the owners of such shares shall be set forth

1 and the number of shares owned by each, and such assessment,
 2 when so entered, shall have all the force and effect as if
 3 made in the names of the owners of such shares individually.
 4 The bank or banking corporation in which such shares are
 5 owned shall be liable for the payment of taxes assessed
 6 against such shares, and such taxes shall be payable by and
 7 may be collected from such bank or banking corporation in
 8 the same manner and under the same penalties as other taxes;
 9 provided that such bank or banking corporation may recover
 10 from such owners of shares any taxes so paid on such shares,
 11 and shall have a lien therefor upon such shares and upon any
 12 dividends accrued or to accrue thereon."

13 Section 18. Section 84-4606, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4606. Banks with offices in more than one
 16 county--assessment and apportionment of tax. Any state or
 17 national bank, banking corporation, or private bank, the
 18 stock, moneyed capital, or moneys and credits of which are
 19 subject to taxation under the provisions of chapter 3 and
 20 chapter 46, Title 84, Revised Codes of Montana, 1947, and
 21 which has banking offices in more than one (1) county, shall
 22 furnish to the department of revenue or its agent in each
 23 such county the information required of it by chapter 46,
 24 Title 84, Revised Codes of Montana, 1947, together with a
 25 statement of the book value of real estate owned and located

1 in the respective counties and a statement of the deposit
 2 liability shown by the books of account of said bank at each
 3 of its said banking offices at the close of business ~~the day~~
 4 ~~next--preceding--the first Monday in March~~ on December 31 of
 5 the preceding year; and the aggregate tax on the stock,
 6 moneyed capital, and moneys and credits of such bank
 7 computed as provided by law shall be assessed by and be paid
 8 to the respective counties in the proportion which the
 9 amount of the deposit liability shown on the books of the
 10 office or offices of such bank located in such counties,
 11 respectively, shall bear to the total deposit liability of
 12 such bank."

13 Section 19. Section 84-5801, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-5801. Production credit associations--assessment
 16 and payment. Every production credit association organized
 17 under the provisions of section 1131d of title 12, United
 18 States Codes annotated shall be assessed for and pay taxes
 19 upon all real and personal property owned by such
 20 association, and also upon the moneyed capital employed in
 21 such business, such moneyed capital to be ascertained by
 22 deducting from the amount of loans, including loans secured
 23 by mortgage on real estate or personal property, the amount
 24 of such loans discounted, and any indebtedness representing
 25 money borrowed for use as moneyed capital. Said moneyed

capital shall be taxed at the same rate and take the same classification as shares of stock in a national bank or moneyed capital coming into substantial competition therewith.

The secretary or managing agent of every such association shall furnish to the assessor of the county in which the principal office of such association is located, within five (5) days after demand therefor, a statement in such detail as the department of revenue or its agent may require, verified by his oath of the resources and liabilities of such association as disclosed by its books, at ~~twelve-o'clock-noon-on-the-first-Monday-of-March-in--each~~ the close of business on December 31 of the preceding year.

If such secretary or managing agent shall fail to make the statement hereby required, the department of revenue or its agent shall forthwith obtain such information from any other available source, and for this purpose he shall have access to the books of such association. The department of revenue or its agent shall thereupon make an assessment of the real estate and personal property owned by such association, and of the moneyed capital employed in the business of such association which assessment shall be as fair and equitable as he may be able to make from the best information available, or said assessor may, for the purpose of said assessment, adopt the figures disclosed by any prior report

made by such association to any state or federal officer pursuant to any state or federal law. Any person required by this section to make the statement hereinabove provided, who shall fail to furnish the same, shall be guilty of a misdemeanor and shall be punished accordingly."

Section 20. Section 84-6012, R.C.M. 1947, is amended to read as follows:

"84-6012. Livestock brought into state--notice to department of revenue or its agent. The owner or the agent, manager or foreman of any person, corporation, or association bringing livestock into this state after the first ~~Monday-in-March~~ Monday day of January shall immediately after said livestock crosses the state line, forward to the department of revenue or its agent in the county into which the livestock is moved, a registered letter, which letter shall contain the name of the owner of such livestock, of the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was brought across the state line, provided, that the ~~Montana~~ department of livestock ~~sanitary-board~~ at least once each month furnish, from own records to the department of revenue or its agent in the county into which such livestock is moved, a list of the number and kind of livestock so moved, together with the name of the owner thereof."

1 Section 21. Section 84-6013, R.C.M. 1947, is amended
2 to read as follows:

3 "84-6013. Collection of tax on livestock. The
4 department of revenue or its agent upon receipt of such
5 letter or other information, that livestock has been brought
6 into his county from outside of the state, after the first
7 ~~Monday---in---March~~ day of January in any year, shall
8 immediately proceed under the provisions of section
9 84-4201."

10 Section 22. Section 89-1805, R.C.M. 1947, is amended
11 to read as follows:

12 "89-1805. Determination of irrigable area. (1) For the
13 purpose of determining the number of acres of irrigable
14 lands in each forty-acre tract or fractional lot as
15 designated by the United States public survey, or platted
16 lot, if land is subdivided in lots and blocks (or where land
17 shall be owned in less than forty-acre tracts or in less
18 than the platted lot, then against each such tract) of land
19 in the district, the board of commissioners of any
20 irrigation district organized hereunder, whenever deemed
21 advisable and at any time except as otherwise provided, may
22 cause a careful topographical survey and map of said lands
23 to be made, as well as a specific examination of the
24 character of the soil of each such tract. Upon completion
25 of such survey and maps, and examination, the board shall

1 give notice that at a meeting of said board, to be held at
2 the office of the board on a day to be fixed in said notice,
3 said board will determine the irrigable area of each such
4 tract of land in the district and that it will hear and
5 consider any objection on the part of any landowner in the
6 district to such determination and to adjustment of the
7 irrigable area of said district or of any lands within any
8 tract or subdivision thereof. It shall not be necessary to
9 describe said tracts in said notice. Such notice shall be
10 given by publication, once a week for two successive
11 calendar weeks, in a newspaper of general circulation in the
12 county where the office of the board is located, and where
13 lands of any irrigation district lie in more than one
14 county, such notice shall also be published in a newspaper
15 or newspapers of general circulation in each such county.
16 The last publication of said notice shall be at least five
17 days prior to the date fixed for said meeting.

18 (2) At such meeting, the board shall proceed to
19 determine and fix the number of acres in each tract or
20 subdivision irrigable from the works or proposed works of
21 the district, and shall hear all persons interested who may
22 appear, and shall continue in session from day to day
23 (exclusive of Sundays and legal holidays) as long as may be
24 necessary and until said determination of irrigable area
25 shall have been completed. The board shall hear all

evidence offered, including maps and surveys caused to be prepared by it as well as maps and surveys prepared by any owner of lands. Upon such determination, the irrigable area so fixed shall become, and thereafter be, the acreage upon which any special tax or assessment shall be levied, and each irrigable acre shall pay at the same rate as every other acre of irrigable land in said district shall pay; and any special tax or assessment levied for any purpose shall be a lien upon the entire forty-acre tract or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where land shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) of land in the district of which said irrigable area forms a part, and said lien shall attach to said entire tract as of the first ~~Monday-of-March~~ day of January in the year in which said special tax or assessment is levied.

(3) Upon completing such determination, the board shall fix, by appropriate resolution or order, the total acreage and the irrigable acreage of each such tract or subdivision, and shall cause to be prepared a list of all lands in said district, which list shall contain an accurate description of each such forty-acre tract or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where land

shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) of land in said district, the total acreage and the number of irrigable acres therein as so fixed and determined, and the name of the owner, or holder of title or evidence of title thereof, ascertained as provided in section 89-1201. Such list, when completed and adopted, shall be filed in the office of the board of commissioners and shall remain there for public inspection. A certified copy of such resolution and list shall be filed with the county clerk and recorder of each county in which any portion of the lands in said district are situated; provided, however, there shall be omitted from such copy lands not situated in the county in which such copy is filed.

(4) No special tax or assessment shall be levied against any forty-acre tract, or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where lands shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) found by said board to contain no irrigable land; nor shall any lien created after the order of determination herein provided for attach to any such tract, nor shall the owner, or owners, of any tract or tracts have any vote or votes in any proceeding or election under the provisions of Chapter

1 146 of the Laws of 1909, or any amendment thereof, or act
2 supplementary thereto, after the making of such order,
3 unless his said land, or a portion thereof, be found by said
4 board to contain an area irrigable from the works, or
5 proposed works, of said district.

6 (5) Upon the determination provided for in this
7 section, the board of commissioners shall have the power to
8 refund any taxes paid, or cancel any unpaid taxes or
9 assessments, levied upon an acreage in excess of that so
10 fixed by said order of determination, and where necessary,
11 may issue warrants therefor.

12 (6) Within sixty days after such resolution adopting
13 said list, the board of commissioners may petition the
14 district court for confirmation of their acts in determining
15 the irrigable area, as aforesaid, and in refunding or
16 canceling any taxes or assessments. The majority in number
17 and acreage of the holders of title or evidence of title to
18 lands in said district, ascertained as in this act provided,
19 may, likewise, within such sixty-day period, petition the
20 district court for review of the actions of the board of
21 commissioners. But one of such proceedings, if prosecuted
22 to determination, shall be exclusive of the other. Upon
23 such proceeding, the court may order any assessment of taxes
24 upon any land or lands to be reduced or raised according to
25 the irrigable area as found by the court, or taxes

1 previously levied upon any area shown to be excessive, to be
2 refunded or canceled.

3 (7) The provisions of section 89-1402, regarding the
4 procedure as well as the right and time to appeal, shall
5 apply to any proceeding instituted in pursuance of the
6 provisions of this section; provided, however, that nothing
7 in this section shall be deemed or construed to affect or
8 impair the lien of any bonds issued by the district; and
9 provided, further, that if confirmation proceedings are held
10 and a certified copy of the order of confirmation be filed
11 with the county clerk and recorder of the county in which
12 any portion of said lands is situated, it shall not be
13 necessary to file in said office the certified copy of the
14 resolution and order of the board, or of the list,
15 hereinabove provided for.

16 (8) Provided, however, that where districts have been
17 established in order to co-operate with the United States
18 under the federal reclamation laws heretofore or hereafter
19 enacted, or under any act of Congress, which shall permit of
20 the performance by the United States of work in this state,
21 for the purposes of construction of irrigation works,
22 including drainage works, or for purchase, extension,
23 operation, or maintenance of construction works, or for the
24 assumption as principal or guarantor, of indebtedness to the
25 United States on account of district laws, the determination

1 of the irrigable area of the lands in said district may be
 2 made by the said board of commissioners in the manner in
 3 this section provided or by the United States at the option
 4 of the latter, and, if the United States determines the
 5 irrigable area, the proceeding for the apportionment and
 6 distribution of the costs of the proposed works or
 7 improvements, hereinafter provided for in section 89-1806
 8 shall not be had."

9 Section 23. Section 89-1806, R.C.M. 1947, is amended
 10 to read as follows:

11 "89-1806. Determination of irrigable area--
 12 apportionment and distribution of costs of proposed works or
 13 improvements. (1) Whenever a petition for the issuance of
 14 bonds of any irrigation district organized hereunder shall
 15 have been filed, as hereinbefore in section 89-1703
 16 provided, the board of commissioners of such district shall
 17 examine, or cause to be examined, each forty-acre tract or
 18 fractional lot as designated by the United States public
 19 survey, or platted lot, if land is subdivided in lots and
 20 blocks (or where land shall be owned in less than forty-acre
 21 tracts or in less than the platted lot, then against each
 22 such tract) of land in said district, and cause a careful
 23 topographical survey and map to be made, in the manner
 24 provided for in section 89-1805. Upon such examination, the
 25 board shall determine the number of irrigable acres in each

1 such tract; and shall apportion and distribute the cost of
 2 the works or improvements for which said bonds are to be
 3 issued, over the tracts within said district according to
 4 the irrigable area in each of said tracts or subdivisions,
 5 so that each such irrigable acre shall be required to bear
 6 the same burden of such costs as each other irrigable acre
 7 in said district, and the special tax or assessment levied
 8 to meet the principal of and interest on said bonds so
 9 authorized, shall become a lien upon the entire tract of
 10 which such irrigable area forms a part or portion as of the
 11 first ~~Monday--in--March~~ day of January of the year in which
 12 such special tax or assessment is levied, and the number of
 13 irrigable acres in each such tract as so determined shall
 14 not be diminished but may be increased during the term for
 15 which any such bonds may be issued or until the bonds shall
 16 be liquidated in full.

17 (2) Provided, however, that if a proceeding for the
 18 determination, in whole or in part, of the irrigable area of
 19 the lands in said district has already been had, or a
 20 topographical survey or maps thereof prepared, or a court
 21 confirmation of said prior proceedings had, in part or in
 22 full, the said board may, in its discretion, adopt all or
 23 such portions of said prior proceedings; and in such an
 24 event, it shall not be necessary to cause an additional
 25 survey, or maps, or examination, of any of such tracts to be

1 again made, or to redetermine the irrigable area of any such
2 tract.

3 (3) The board shall make such determination after
4 hearing had and shall fix the total acreage and the
5 irrigable acreage, and shall cause a list of such irrigable
6 area to be made and filed and the proceedings of the board
7 in connection with such determination, including said
8 hearing and notice of said hearing, and order or resolution
9 fixing the irrigable area and the preparation and filing of
10 said list, shall conform to the requirements set forth in
11 section 89-1805. At such hearing, the said board shall also
12 determine the amount and rate per acre necessary to be
13 levied against each irrigable acre in the district to meet
14 the interest on and principal of said authorized bond issue,
15 and any tax levied for such purposes shall be a lien upon
16 the entire tract of which said irrigable area forms a part.
17 If any landowner in the district shall appear before the
18 board at said time and pay in cash the amount fixed against
19 his said land as its proportion of the amount found
20 necessary for the purposes for which said bonds were
21 authorized and are to be issued, his land shall be excluded
22 from the lien of the bond issue and the amount of bonds
23 intended to be issued shall be reduced by the amount of such
24 payment. Any person interested who shall fail to appear
25 before the board at said meeting shall not thereafter be

1 permitted to contest the proceedings of said board, or any
2 part thereof, except upon special application to the court
3 in the proceedings for the confirmation of said bonds and a
4 showing of reasonable excuse for failure to appear before
5 said board of commissioners.

6 (4) In case any such landowner makes objection to the
7 proceedings of said board in determining the irrigable area
8 in his own or any other tract of land, or the amount or rate
9 per acre of the special tax and assessment to be levied
10 against each irrigable acre in the district for the purposes
11 of the proposed bond issue, and said objection is overruled
12 by the board, such objection without further proceedings
13 shall be regarded as appealed to the district court, and
14 shall, with the other proceedings of said board at said
15 meeting, be heard at the proceedings to confirm said bonds,
16 as provided in section 89-1704, and when so confirmed, said
17 order overruling such objection and confirming the order of
18 the board determining the irrigable area of each tract of
19 land and apportioning the cost of the improvement thereto,
20 shall become final, binding and conclusive upon said
21 landowner and upon the district, unless appealed from as in
22 said section 89-1704 provided.

23 (5) Provided, however, that whenever the irrigable area
24 of the lands in any irrigation district shall have been
25 determined and confirmed, no owner or holder of title or

evidence of title to lands in said district, during the period of any bonds thereafter authorized shall be issued and outstanding, shall have the taxable acreage of his said lands fixed or adjudicated in the manner provided by sections 89-1404 to 89-1408, in such manner or to such extent as to reduce the acreage subject to the payment of such bonds or interest thereon, or in such manner as to affect the security of such bonds or interest thereon."

Section 24. Section 16-4311, R.C.M. 1947, is amended to read as follows:

"16-4311. Withdrawal of portion of district, petition for. Any portion of a public hospital district may be withdrawn therefrom as in this section provided, upon receipt of a petition signed by fifty-one per centum (51%) of the taxpayers, or more, residing in and owning property within the area desired to be withdrawn from any public hospital district, on the grounds that such area will not be benefited by remaining in said district. The board of county commissioners shall, upon the filing of such a petition, fix a time for the hearing of such withdrawal petition which time shall not be more than four (4) weeks after the receipt thereof. The board shall, at least two (2) weeks prior to the time so fixed, publish a notice of such hearing in two (2) successive issues of a newspaper published in the county. No petition for withdrawal shall

be entertained or acted upon by the board, unless the same is filed before ~~the first Monday in March of~~ any December 31 of the preceding year. Any person interested may appear at said hearing and present objections to the withdrawal of said portion from said district. The board shall consider the petition and all objections thereto, and pass upon the merits thereof, and make its order in accordance therewith. Any withdrawal shall be effective as of March January 1 following the issuance of the withdrawal order. Such order is subject to review by the district court of the county, and appeal may be taken from the final judgment of such district court to the supreme court of Montana. All taxable property within the withdrawn area shall remain subject to taxation for any bonded indebtedness of the hospital district existing as of the effective date of the withdrawal, to the same extent as it would have been subject if not withdrawn."

Section 25. Section 75-6505, R.C.M. 1947, is amended to read as follows:

"75-6505. Time limitation for district boundary changes. No elementary district shall be created nor shall any elementary district boundaries be changed between the first day of March January and the second Monday of August of any calendar year except when:

(1) the entire territory of a district is annexed or

1 attached to another district;
2 (2) the entire territory of the portion of a joint
3 district located in one (1) county is annexed or attached to
4 another district; or
5 (3) two (2) or more districts are consolidated in their
6 entirety."

-End-

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 16, 1975

The fourth meeting of the Taxation Committee was called to order by Chairman Watt on the above date in Room 415 of the State Capitol Building at 8:10 a.m.

ROLL CALL: Roll call found all members present except Senator Healy. Ex-officio member Sen. McOmber was also present.

The following witnesses were present:

Dean Zinnecker	Mont. Ass'n. of Counties
Mons Teigen	Mont. Stockgrowers Ass'n.
Dennis Burr	Dept. of Revenue
Charles Brown	Dept. of Livestock
Les Graham	"
Geoff Gibbs	
Everett Snortland	Montana Farm Bureau

CONSIDERATION OF SENATE BILL 32: Senator Turnage first spoke, saying the bill had been introduced at the request of the Department of Revenue and then introduced Mr. Burr of the Department who said the main point of the bill would be the changing of the assessment of property from the 1st Mon. of Mar. to first of Jan. He said by assessing associations earlier in the year there would be larger inventories and although the tax would be less, the revenues would be greater from the larger inventories.

Sen. Fasbender, first author of the bill, also added to the testimony.

Chairman Watt asked for other proponents or opponents of the bill and following, opened the meeting for questions by the committee. Burr stated that inventories are at present assessed at 66 2/3%, and taxed at 33 1/3% of that. They are suggesting a change in that percentage to 40%.

Members asked several questions concerning the affect the legislation would have on the cattle and grain industries.

CONSIDERATION OF SENATE BILL 29: Senator Graham, Dist. 29, introduced his bill which would exempt livestock under the age of 1 year. He introduced also a proposed amendment, copy of which is attached.

Chairman Watt asked for other proponents of the bill and they included Mons Teigen of the Mont. Stockgrowers Ass'n., who said he felt that if SB 32 should become law, then this bill is a must. He said the two bills tie together and further, that the Association had some proposals that would be introduced soon that covered the broader area of livestock taxation. He stated the Association strongly endorses this particular bill.

Jan. 16, 1975

Senator Mathers then asked about the tax impact on the counties and said he thought the legislation would be unjust to a man who owned cows and paid tax on them, but if he sold the calves the new owner would not be paying tax either, as long as they were under the age of 1 year, and disposed of before that age.

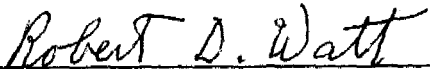
Les Graham of the Department of Livestock also spoke in regard to the bill and distributed some figures which indicated the loss of revenue the Department would sustain.

Dean Zinnecker of the Montana Ass'n. of Counties presented opposing views and said the Association opposed the bill, since the loss of revenue from the yearlings would have to be picked up elsewhere in the county's tax revenues.

Chairman Watt called for other discussion of the bill at this point and there followed other questions by members. Following this discussion Senator Brown asked for a Fiscal Note on the bill, copy of request attached.

Sen. Turnage moved the committee hold Senate Bills 29 and 32 until the committee has had the opportunity to study other similar bills, including a bill previously introduced by Senator Mathers, Senate Bill 10. This motion was seconded by Sen. Mathers.

Chairman Watt stated there would be no action by the committee on these bills until they had been studied further. He adjourned the meeting until Friday, January 17th.


Robert D. Watt Chairman

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 17, 1975

The fifth meeting of the Taxation Committee was called to order by Chairman Watt on the above date in Room 415 of the State Capitol Building at 8:10 a.m.

ROLL CALL: Roll call found all members present except Sen. Manning who was excused.

The following witnesses were present:

Al Sampson	Mont. State Fireman's Assoc.
Earl Morrow	Mont. Retired Firemen
Ray Schroder	"
Wm. Spady	"
James J. Sibert	"
Dave Fisher	Mont. Vol. Firemen Assoc.
Art Korn	" Sec-Treas
Howard O. Vralsted	Department of Revenue
Ed Johnstair	Mont. State Fireman's Assoc.
Ray Blahan	"

CONSIDERATION OF SENATE BILL 34: Chairman Watt turned the conducting of the meeting over to the vice chairman and following, introduced his bill. Sen. Watt stated that since the firemen, retired, were also public employees they too should be entitled to the same exemptions under the law as other public service employees.

He introduced Mr. Sampson as one of the bill's proponents. His testimony was followed by Mr. Sibert's who stated that their pensions were quite small and any help the committee could give by passing this legislation would be appreciated. He said the bill would affect approximately 187 members of the M.F.A., whose money was earned and taxed within the state. Other proponents to voice their approval of the bill included Mr. Fisher and Mr. Korn.

Vice chairman Healy asked for opponents to the bill and Mr. Vralsted stated that although he had no objection to the bill, the Department felt that the bill should be amended to be effective December 31, 1974 and that benefits received up until that date would be taxable.

Sen. Mathers inquired if there was a Fiscal Note on the bill and Sen. Watt replied there was a figure of approximately \$17,000 per year, estimated cost. Vice chairman Healy asked for further questions from the committee and there being none, Sen. Watt read his proposed amendments, copy on attached committee report.

DISPOSITION: Senator Turnage Moved to adopt the Amendments to SB34. Motion seconded by Sen. Watt; motion carried.

Sen. Watt Moved SB 34 AS AMENDED DO PASS. Motion carried, all members present voting "Aye".

Sen. Turnage moved to amend SB17, recently returned to the committee. His amendments are on attached committee report. Motion was carried.

Jan. 17, 1975

Sen. Norman MOVED SB 17 AS AMENDED DO PASS. Motion was carried with all members present voting in favor.

Sen. Turnage MOVED SB 64 DO PASS. Sen. Mathers seconded and all members present voted "Aye".

There followed some discussion on SB 32 heard Jan. 16th. It was thought the bill might await other companion bills, but the members had no objection to passing it out favorably.

Sen. Turnage MOVED SB 32 DO PASS. The motion was seconded; a unanimous vote cast by members present.

There followed open discussion on SB 24, previously heard by the committee. Members agreed there should be several amendments to the bill, including specifying the terms of the appointees. After discussion, amendments were agreed upon, copy of the committee report attached.

Sen. Turnage re-introduced testimony presented by Sen. Graham when he presented his bill, indicating the complete work load of the present 3-member STAB was not current. Sen. Healy voiced objection to the increase in the number citing increased operating costs as a prime reason. It was brought out that 3-member boards are too easily controlled by one strong member and further, that more members should be writing the opinions on the cases that come before it.

Sen. Turnage Moved to Adopt the Amendments to SB 24. The motion carried and voting was unanimous.

Sen. Turnage MOVED SB 24 AS AMENDED DO PASS. Motion was seconded by Sen. Brown. A roll call vote was taken, copy attached, indicating all present voted "Aye".

Chairman Watt announced there would be no meeting this Saturday, Jan. 18th, and that a Joint Meeting in Room 108 of the House has been scheduled for next Thursday, Jan. 23.

Following announcements Chairman Watt adjourned the meeting.


ROBERT D. WATT CHAIRMAN

MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 21, 1975

The sixth meeting of the Taxation Committee was called to order on the above date in Room 415 of the State Capitol Building at 8:10 a.m. In the absence of Chairman Watt, vice chairman Healy was in charge of the meeting.

ROLL CALL: Roll call found all members present except the Chairman.

The following witnesses were present:

Jack Rehberg	Mont. Petroleum Ass'n.
Leo Petersen	TriCentrol USI
Dean Zinnecker	Mont. Ass'n. of Counties.
Ray Stoner	"
Ed Mares	"
Alan Taylor	Dept. of Rev.

CONSIDERATION OF SENATE BILL 14: Senator Mathers introduced this bill which was a result of the 1974 interim study of the fossil fuels subcommittee. During the study it was discovered that natural gas produced within the state but distributed out of it escaped all tax. Sen. Mathers introduced some written testimony in further support of his bill, copy attached.

Vice chairman Healy asked for other proponents of the bill and Mr. Rehberg spoke, saying he was not opposed to the bill as such, but stated that it was a new concept for the natural gas industry and said there were several changes the industry would like to make to the bill. He pointed out several of these and said they feel the gas should be taxed when it comes from the ground, not when it comes from storage.

The meeting was then open for questions by the committee who asked questions of Rehberg, also Roger Tippy of the Legislative Council, as well as Mr. Taylor. Members questioned if additional tax would necessitate going before the Public Service Commission. They also asked if this tax would cause a pyramiding effect on prices. Mr. Petersen answered several questions also.

Since there were a number of questions still in regard to the bill and the proposed amendments, members felt the bill should be placed in the hands of a Sub-Committee; Motion was made by Sen. Mathers and motion carried.

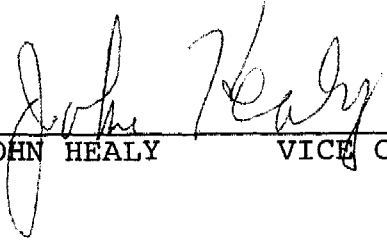
Vice chairman Healy then appointed Senators Towe, Norman and Mathers to the Sub-Committee for SB 14.

Sen. Towe then Moved that SB 86 and 87 be re-scheduled for hearing on Friday, Jan. 24. Motion carried. The bills had been posted for hearing along with SB 13 on Wed., but due to expected heavy testimony, the two accompanying bills will be postponed.

Page 2
Tax Comm.

Jan. 21, 1975

Following some discussion on SB32, previously heard by the committee, Vice chairman Healy asked for other business and there being none, adjourned the meeting.



JOHN HEALY VICE CHAIRMAN

19th Legislature Nov 1-28-1975

act entitled: "An act to allow the creation of a capital improvement fund for county government." Referred to Committee on Local Government.

HOUSE BILL NO. 117, introduced by Kendall, Fagg: A bill for an act entitled: "An act removing the limitations on interest rates payable on issuance of bonds by municipalities; amending Sections 11-2304 and 11-2404, R.C.M. 1947." Referred to Committee on Local Government.

HOUSE BILL NO. 142, introduced by Lynch, Bardanoue: A bill for an act entitled: "An act to amend Section 68-1602, R.C.M. 1947, to provide that those persons employed by the Legislature during the legislative session [only] may elect whether or not to become members of the Public Employees Retirement System." Referred to Committee on Legislative Administration.

HOUSE BILL NO. 143, introduced by Kemmis, Palmer, Gunderson, Meloy, Huennekens, Johnson: A bill for an act entitled: "An act to provide for and to regulate interim municipal zoning regulations." Referred to Committee on Local Government.

HOUSE BILL NO. 147, introduced by W. Baeth, McKittrick, Gilligan: A bill for an act entitled: "An act amending Section 87-145, R.C.M. 1947, to permit recoupment by offset of payments made to fraudulent claimants." Referred to Committee on Labor and Employment Relations.

HOUSE BILL NO. 165, introduced by Huennekens, Luebeck, Sloan, Vincent: A bill for an act entitled: "An act providing for the retention of Montana public lands in state ownership; amending Section 81-903, R.C.M. 1947; and providing an effective date." Referred to Committee on State Administration.

(Material in brackets denotes cancelled type.)

BUSINESS ON SECOND READING

Upon the motion of Senator Lynch, duly carried, the Senate resolved itself into a Committee of the Whole for the consideration of Business on Second Reading.

Senator Aber in the Chair. Committee arose.

Senate resumed. President McOmber presiding.

The Committee of the Whole submitted the following report:

Mr. President: We, your Committee of the Whole, having had under consideration business on Second Reading, respectfully report and recommend as follows:

That Senate Bill No. 32 do pass. Opposed by Story.

That Senate Bill No. 79 do pass. Unanimously passed.

That the Committee rise and report.

ABER, Chairman

Upon the motion of Senator Aber, duly carried, the foregoing report of the Committee of the Whole was adopted.

THIRD READING OF BILLS

Senate Bill No. 30, having been read three several times, was passed by the following roll call vote:

Ayes: Aber, Blaylock, Boylan, Brown, Cetrone, Colberg, Conover,

Following: "development"

Insert: "or operating"

And as so amended, do pass. Opposed by Boylan, Drake, Galt, Hazelbaker, Himsl, Mathers, Olson, Rosell.

That the Committee rise and report.

NELSON, Chairman

Upon the motion of Senator Nelson, duly carried, the foregoing report of the Committee of the Whole was adopted.

THIRD READING OF BILLS

Senate Bill No. 32, having been read three several times, was passed by the following roll call vote:

Ayes: Aber, Blaylock, Boylan, Brown, Cetrone, Colberg, Conover, Devine, Drake, Dunkle, Fasbender, Flynn, Galt, Goodover, Graham, Greely, Hazelbaker, Healy, Himsl, Jergeson, Kolstad, Lee, Lynch, McCallum, Manley, Murphy, Nelson, Norman, Olson, Regan, Romney, Rosell, Roskie, Seibel, E. Smith, R. Smith, Stephens, Thiessen, Towe, Turnage, Warden, Watt, Mr. President. Total 44.

Noes: Etchart, Story. Total 2.

Absent and not voting: Manning, Roberts. Total 2.

Excused: Foster, Mehrens. Total 2.

(Including the following pairs: Mathers, aye — Etchart, no.)

Senate Bill No. 79, having been read three several times, was passed by the following roll call vote:

Ayes: Aber, Blaylock, Boylan, Brown, Cetrone, Colberg, Conover, Devine, Drake, Dunkle, Fasbender, Flynn, Galt, Goodover, Graham, Greely, Hazelbaker, Healy, Himsl, Jergeson, Kolstad, Lee, Lynch, McCallum, Manley, Mathers, Murphy, Nelson, Norman, Olson, Regan, Roberts, Romney, Rosell, Roskie, Seibel, E. Smith, R. Smith, Stephens, Story, Thiessen, Towe, Turnage, Warden, Watt, Mr. President. Total 46.

Noes: None.

Absent and not voting: Manning. Total 1.

Excused: Etchart, Mehrens, Foster. Total 3.

House Bill No. 2, having been read three several times, was concurred in by the following roll call vote:

Ayes: Aber, Blaylock, Boylan, Brown, Cetrone, Colberg, Conover, Devine, Drake, Dunkle, Fasbender, Flynn, Galt, Goodover, Graham, Greely, Hazelbaker, Healy, Himsl, Jergeson, Kolstad, Lee, Lynch, McCallum, Manley, Mathers, Murphy, Nelson, Norman, Olson, Regan, Roberts, Romney, Rosell, Roskie, Seibel, E. Smith, R. Smith, Stephens, Story, Thiessen, Towe, Turnage, Warden, Watt, Mr. President. Total 46.

Noes: None.

Absent and not voting: Manning. Total 1.

Excused: Etchart, Foster, Mehrens. Total 3.

The Senate will please take note that the President will sign the following bills at the hour of 3:15 p.m., January 30, 1975: House Bill No. 6 and House Joint Resolution No. 2.

TAXATION COMMITTEE

44th Legislature

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
SB 14	Replace natural gas distributors license tax with a severance tax on production of natural gas; amend sections	2/5	MATHERS Towe	3/13	Heard - BE CONCURRED IN	3/13
SB 32	Change time of assessment of property to Jan. 1; change time for withdrawal from public hospital district, change boundaries of elementary school dist. to coincide with Jan. 1 assessment date.	1/31	FASBENDER	3/10	Heard BE CONCURRED IN	3/15/75
SB 34	Amend sec. 84-4905 to provide adjusted gross income not show benefits to firemen, disabled firemen, widows & orphans from fire dept. relief association funds	2/5	WATT Story	3/7	BE CONCURRED IN	3/7
SB 64	Correct statutory errors; amend secs. 67-2011 & 2015	1/23	Taxation Committee at request of Dept. of Rev.	2/3 3/5	Fagg to study 67-2011 & 67-2015 BE CONCURRED IN	3/6/75
SB 87	Creating fund from coal for support of public schools; allocating certain revenue from coal taxes to fund; establishing disbursement board. Amend 75-6916 & 84-1309.1	2/11	TOWE Watt	3/12	Heard 3/13 - Subcommittee Halvorson, Aageson Dassinger AS SO AMENDED, BE CONCURRED IN 3/20/75	
SB 127	Amend 84-2202, 2203, 2209 relating to oil producers' license tax; and providing an effective date.	2/11	BLAYLOCK (Request of Dept. of Rev.)	3/10	Heard - BE CONCURRED IN	3/10/75

1 *Senate* BILL NO. *32*
 2 INTRODUCED BY *Fashender Turnage, Gresham LYNCH*
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE TIME OF
 5 ASSESSMENT OF PROPERTY FROM THE FIRST MONDAY IN MARCH TO THE
 6 FIRST DAY OF JANUARY BY AMENDING SECTIONS 7-122, 16-4019,
 7 53-639.1, 46-2704, 46-2804, 46-2809, 81-928, 84-406, 84-409,
 8 84-410, 84-510, 84-3808, 84-3809, 84-4192, 84-4209, 84-4604,
 9 84-4605, 84-4606, 84-5801, 84-6012, 84-6013, 89-1805, AND
 10 89-1806, R.C.M. 1947, AND CHANGING THE TIME FOR WITHDRAWAL
 11 FROM A PUBLIC HOSPITAL DISTRICT AND FOR CHANGING BOUNDARIES
 12 OF AN ELEMENTARY SCHOOL DISTRICT TO COINCIDE WITH THE
 13 JANUARY 1 ASSESSMENT DATE BY AMENDING SECTIONS 16-4311 AND
 14 75-6505, R.C.M. 1947."

15
 16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 Section 1. Section 7-122, R.C.M. 1947, is amended to
 18 read as follows:

19 "7-122. Taxation of associations. Every association
 20 shall be assessed for and pay taxes upon all real and
 21 personal property owned by such association, and also upon
 22 the moneyed capital employed in such business, such moneyed
 23 capital to be ascertained by deducting from the amount of
 24 bonds, notes and other evidences of indebtedness, including
 25 evidences of indebtedness secured by mortgage on real estate

There are no changes in *S.B. 32*, and due to length will not
 be rerun. Please refer to yellow copy for complete text.

1 or personal property, of such associations, the amount
 2 standing to the credit of the members of any such
 3 association, upon its books, and any indebtedness
 4 representing money borrowed for use as moneyed capital.
 5 Said moneyed capital as so ascertained shall be taxed at the
 6 same rate and take the same classification as shares of
 7 stock in a national bank or moneyed capital coming into
 8 substantial competition therewith. The secretary of every
 9 such association shall furnish to the department of revenue
 10 or its agent in the county in which the principal office of
 11 such association is located, within five (5) days after
 12 demand therefor, a condensed statement verified by his oath,
 13 of the resources and liabilities of such association as
 14 disclosed by its books, at twelve o'clock noon on the first
 15 ~~Monday-of-March~~ day of January in each year; if such
 16 secretary shall fail to make the statement hereby required,
 17 the department or its agent shall forthwith obtain such
 18 information from any other available source, and for this
 19 purpose he shall have access to the books of such
 20 association. The department or its agent shall thereupon
 21 make an assessment of the real estate and personal property
 22 owned by such association, and of the moneyed capital
 23 employed in the business of such association, which
 24 assessment shall be as fair and equitable as he may be able
 25 to make from the best information available, or the

Approved by Committee
on Taxation

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2 INTRODUCED BY *Farbender Turnage, LYNCH*
3

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2 standing to the credit of the members of any such
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6 same rate and take the same classification as shares of
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9 such association shall furnish to the department of revenue
10 or its agent in the county in which the principal office of
11 such association is located, within five (5) days after
12 demand therefor, a condensed statement verified by his oath,
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14 disclosed by its books, at twelve o'clock noon on the first
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16 secretary shall fail to make the statement hereby required,
17 the department or its agent shall forthwith obtain such
18 information from any other available source, and for this
19 purpose he shall have access to the books of such
20 association. The department or its agent shall thereupon
21 make an assessment of the real estate and personal property
22 owned by such association, and of the moneyed capital
23 employed in the business of such association, which
24 assessment shall be as fair and equitable as he may be able
25 to make from the best information available, or the

department or its agent may, for the purpose of said assessment, adopt the figures disclosed by any prior report made by such association to any state or federal officer pursuant to any state or federal law. Any person required by this section to make the statement hereinabove provided, who shall fail to furnish the same, shall be guilty of a misdemeanor and shall be punished accordingly.

The amount standing to the credit of each member of any such association, upon its books, shall be considered and held as the individual credit of each member, and each member shall list the shares held by him for taxation, at their real value in money, in the county of his residence, the same as other credits are listed, except shares from which loans have been made, or money advanced, by the association, and as to such shares they shall be listed for taxation at the net cash value of the stock, to be ascertained by deducting the loan from the cash value of the shares. Associations organized under or controlled by this act shall be subject to taxation in no other way."

Section 2. Section 16-4019, R.C.M. 1947, is amended to read as follows:

"16-4019. Assessment of property. The county assessor of a county abandoned and abolished under the provisions of this act shall, within ten (10) days after it comes to exist deliver to the county assessor of each county to which any

part of its territory had been attached and become a part of all assessment lists, reports, documents and instruments relating to, concerning, or in any way affecting the assessment during the then current assessment year of all taxable property within such portion of such abandoned and abolished county, and it shall be the duty of the assessor of the county, to whom such assessment lists, reports, documents and instruments have been delivered by the assessor of the abandoned and abolished county, to complete all assessments and to fully assess, during the then current assessment year, all taxable property situated or located, on the first ~~Monday-of-March~~ day of January of such year, within the boundaries of such part of such abandoned and abolished county, and each such county assessor shall, in all matters and things connected in any way with the making of such assessments, have, possess and exercise all of the powers and rights and shall perform all of the duties which the assessor of the abandoned and abolished county would, or could have had, possessed, exercised or performed if such county had not been abandoned and abolished. The county assessor of such abandoned and abolished county shall, until twelve (12:00) o'clock midnight of the thirtieth day of June when said county ceases to exist, aid and assist the county assessors of the counties to which any part of the territory so to be abandoned and abolished will be attached and made a

1 part, in the listing and assessing of all taxable property
2 situated or located within each of such counties to the end
3 that all taxable property within the boundaries of such
4 abandoned county will be fully assessed and taxed."

5 Section 3. Section 53-639.1, R.C.M. 1947, is amended
6 to read as follows:

7 "53-639.1. Special mobile equipment--exemption from
8 registration and payment of fees and charges--identification
9 plate--application--fee--publicly owned special mobile
10 equipment. (1) A person, firm, partnership, or corporation
11 who owns, leases, or rents special mobile equipment as
12 defined in section 53-642 and occasionally moves that
13 equipment on, over, or across the highways of the state, is
14 not subject to registration of that equipment or required to
15 pay the fees and charges provided for in chapters 32 through
16 35 of Title 32. Prior to movement on the highways, however,
17 each piece of equipment shall display an equipment
18 identification plate or a dealers' license plate attached to
19 the equipment.

20 (2) Annual application for the identification plate
21 shall be made to the county treasurer before any piece of
22 equipment is moved on the highways. Application shall be
23 made on a form furnished by the department of justice,
24 together with the payment of a fee of five dollars (\$5).
25 The equipment for which a special mobile equipment plate is

1 sought, is subject to the assessment of personal property
2 taxes ~~either~~ on the date application is made for the plate,
3 ~~if that date falls between the first day of January and the~~
4 ~~first Monday of March, or on the first Monday of March.~~ The
5 personal property taxes assessed against the special mobile
6 equipment must be paid before the issuance of a special
7 mobile equipment plate. The fees collected under this
8 section belong to the county road fund.

9 (3) The identification plate expires on ~~March~~ December
10 31 of each year.

11 (4) Publicly owned special mobile equipment, and
12 implements of husbandry used exclusively by an owner in the
13 conduct of his own farming operations, are exempt from this
14 section."

15 Section 4. Section 46-2704, R.C.M. 1947, is amended to
16 read as follows:

17 "46-2704. Tax levy--special fund. Said county
18 livestock protective committee may recommend to the board of
19 county commissioners the levy of a tax in an amount not to
20 exceed twenty-five cents (25¢) per head on all assessable
21 cattle in the county on the first ~~Monday--of--March~~ day of
22 January and the board of county commissioners shall
23 thereupon be empowered to levy such tax, to be collected as
24 other taxes on personal property, and when collected to be
25 deposited by the county treasurer in a special fund to be

known as the stockmen's special deputy fund, together with any other funds made available from county, state, federal or private sources for the purposes of this act."

Section 5. Section 46-2804, R.C.M. 1947, is amended to read as follows:

"46-2804. Tax levy--deposit of proceeds. Said district cattle protective committee may recommend to the board of county commissioners the levy of a tax in an amount not to exceed twenty-five cents (25¢) per head on all assessable cattle in the district on the first ~~Monday-of-March~~ day of January and the board of county commissioners shall thereupon be empowered to levy such tax, to be collected as other taxes on personal property, and when collected to be deposited in the county treasury of one of the counties in the district, to be selected by the district cattle protective committee, in a special fund to be known as the stockmen's special deputy fund, together with any other funds made available from county, state, federal or private sources for the purposes of this act."

Section 6. Section 46-2809, R.C.M. 1947, is amended to read as follows:

"46-2809. Tax levy--deposit of proceeds. Said district cattle protective committee may recommend to the board of county commissioners the levy of a tax in an amount not to exceed twenty-five cents (25¢) per head on all assessable

cattle in the district on the first ~~Monday-of-March~~ day of January and the board of county commissioners shall thereupon be empowered to levy such tax, to be collected as other taxes on personal property, and when collected to be deposited in the county treasury in a special fund to be known as the stockmen's special deputy fund, together with any other funds made available from county, state, federal or private sources for the purposes of this act."

Section 7. Section 81-928, R.C.M. 1947, is amended to read as follows:

"81-928. Land subject to taxation. (1) State lands purchased from the state are subject to taxation to the full value thereof. The department of revenue shall assess the purchaser for the full value of the land on the first ~~Monday of-March~~ day of January following the date of purchase. The holder of certificates of purchase to lands within irrigation districts is liable for the entire tax levied against the land thereunder on account of such irrigation district.

(2) The improvements on the land shall be assessed and taxed as other improvements on farm lands.

(3) On or before ~~March~~ January 15 of each year, the department shall furnish the department of revenue or its agent in each county with a complete list of all state lands sold in his county during the year ending on the previous

December 31 ~~the--first-Monday-of-March-of-each-year.~~ This list shall show the name and address of the purchaser, the legal description of the land, and the acreage contained therein."

Section 8. Section 84-406, R.C.M. 1947, is amended to read as follows:

"84-406. Time of assessment--motor vehicles--mobile homes--livestock--snowmobiles. (1) The department of revenue or its agent must, between the first ~~Monday-of-March~~ day of January and the second Monday of July in each year, ascertain the names of all taxable inhabitants, and assess all property in each county subject to taxation, except such as is required to be assessed by the state department of revenue, and must assess such property to the persons by whom it was owned or claimed, or in whose possession or control it was at 12 midnight of the first ~~Monday--of--March~~ day of January next preceding. It must also ascertain and assess all mobile homes arriving in ~~his~~ the county after 12 midnight of the first ~~Monday-of-March~~ day of January next preceding. The procedure provided by this section shall not apply to:

(a) Motor vehicles which are required by subdivision (2) hereof to be assessed as of the first day of January; but no mistake in the name of the owner or supposed owner of real property renders the assessment thereof invalid.

(b) Livestock being fed in feeding pens or enclosures which may be by subdivision (3) of this section be assessed on an average inventory basis. Credits must be assessed as provided in section 84-101, subdivision 6.

(c) Property defined in section 53-642 as "special mobile equipment" ~~shall-be~~ which is subject to assessment of personal property taxes ~~either~~ on the date that application is made for a special mobile equipment plate, ~~if-that-date falls-between-the-first-day-of-January-and-the-first--Monday-of-Marchy-or-on-the-first-Monday-of-March.~~

(d) Mobile homes held by a distributor or dealer of mobile homes as a part of his stock in trade.

(e) Snowmobiles and campers which are required by subdivision 4 hereof to be assessed as of the first day of January.

(2) The department or its agent must ascertain and assess all motor vehicles, except mobile homes, in each county subject to taxation as of January 1 in each year, and the same shall be assessed to the persons by whom owned or claimed, or in whose possession or control such vehicle was at 12 midnight of the first day of January in each year. Provided that such tax shall not be assessed against motor vehicles which constitute inventory of motor vehicle dealers as of January 1, but said vehicles, and all other motor vehicles brought into the state subsequent to January 1, as

1 motor vehicle dealer's inventory, shall be assessed to their
 2 respective purchasers as of the dates said vehicles are
 3 registered by said purchasers, and purchasers means and
 4 includes dealers who apply for registration or
 5 re-registration of motor vehicles, ~~except~~ as otherwise
 6 provided by section 32-3315. Goods, wares and merchandise
 7 of motor vehicle dealers, other than new motor vehicles and
 8 new mobile homes, shall ~~continue to~~ be assessed at full and
 9 true value as of the first ~~Monday of March~~ day of January.

10 Except that this paragraph shall not apply to an
 11 applicant for registration or re-registration of a mobile
 12 home, nothing herein contained shall relieve the applicant
 13 for registration or re-registration of any other motor
 14 vehicle so assessed or subject to assessment of the duty of
 15 paying taxes thereon as a condition precedent to
 16 registration or re-registration in the event said taxes have
 17 not been paid by any prior applicant or owner in all cases
 18 where required to be paid.

19 (3) The assessed value of livestock being fed in
 20 feeding pens or enclosures on the first ~~Monday in March~~ day
 21 of January may be computed by adding the value of livestock
 22 more than six (6) months of age being fed on the last day of
 23 each month since the last assessment date and dividing the
 24 sum by twelve (12).

25 (4) The department of revenue or its agent must

1 ascertain and assess all snowmobiles and campers in each
 2 county subject to taxation as of January 1 in each year, and
 3 the same shall be assessed to the persons by whom owned or
 4 claimed, or in whose possession or control such snowmobile
 5 or campers was, including dealers, at 12 M midnight of the
 6 first day of January in each year, ~~provided, however, that~~
 7 ~~snowmobiles--and--campers--which--constitute--inventory--of~~
 8 ~~snowmobile--dealers--and--camper-dealers--shall--be--assessed--to~~
 9 ~~the-dealers--as--of--12-M--of--the--first--Monday--of--March--in--each~~
 10 ~~year."~~

11 Section 9. Section 84-409, R.C.M. 1947, is amended to
 12 read as follows:

13 "84-409. Statement--what to contain. The department of
 14 revenue or its agent must require from each person a
 15 statement under oath setting forth specifically all the real
 16 and personal property owned by such person, or in his
 17 possession, or under his control at twelve o'clock ~~pm~~
 18 midnight on the first ~~Monday in March~~ day in January. Such
 19 statement must be in writing, showing separately:

20 1. All property belonging to, claimed by, or in the
 21 possession, or under the control or management of such
 22 person.

23 2. All property belonging to, claimed by, or in the
 24 possession, or under the control or management of any firm
 25 of which such person is a member.

1 3. All property belonging to, claimed by, or in the
2 possession, or under the control or management of any
3 corporation of which such person is president, secretary,
4 cashier, or managing agent.

5 4. The county in which such property is situated, or
6 in which it is liable to taxation, and (if liable to
7 taxation in the county in which the statement is made) also
8 the city, town, school district, road district, or other
9 revenue districts in which it is situated.

10 5. An exact description of all lands in parcels or
11 subdivisions, not exceeding six hundred and forty acres
12 each, and the sections and fractional sections of all tracts
13 of land containing more than six hundred and forty acres
14 which have been sectionized by the United States government;
15 improvements, and personal property, including all vessels,
16 steamers, and other watercraft, and all taxable state,
17 county, city, or other municipal or public bonds, and the
18 taxable bonds of any person, firm, or corporation, and
19 deposits of money, gold dust, or other valuables, and the
20 names of the persons with whom such deposits are made, and
21 the places in which they may be found; all mortgages, deeds
22 of trust, contracts, and other obligations by which a debt
23 is secured, and the property in the county affected thereby.

24 6. All solvent credits, secured or unsecured, due or
25 owing to such person or any firm of which he is a member, or

1 due or owing to any corporation of which he is president,
2 secretary, cashier, or managing agent.

3 Whenever one member of a firm, or one of the proper
4 officers of a corporation, has made a statement showing the
5 property of the firm or corporation, another member of the
6 firm, or another officer, need not include such property in
7 the statement made by him; but this statement must show the
8 name of the person or officer who made the statement in
9 which such property is included.

10 7. All depots, shops, stations, buildings, and other
11 structures erected on the space covered by the right of way,
12 and all other property owned by any person, corporation, or
13 association of persons, owning or operating any railroad
14 within the county.

15 The fact that such statement is not required, or that a
16 person has not made such statement under oath, or otherwise,
17 does not relieve his property from taxation."

18 Section 10. Section 84-410, R.C.M. 1947, is amended to
19 read as follows:

20 "84-410. Department of revenue to furnish blanks, etc.
21 The department of revenue must furnish its agents with blank
22 forms of the statements provided for in the preceding
23 section, affixing thereto an affidavit, which must be
24 substantially as follows: "I,...., do swear that I am a
25 resident of the county of(naming it), and that my

1 post-office address is; that the above list contains a
 2 full and correct statement of all property subject to
 3 taxation, which I, or any firm of which I am a member, or
 4 any corporation, association, or company of which I am
 5 president, cashier, secretary, or managing agent, owned,
 6 claimed, possessed, or controlled at twelve o'clock ~~on~~
 7 midnight on the first ~~Monday-in-March~~ day of January last,
 8 and which is not already assessed this year; and that I have
 9 not in any manner whatsoever transferred or disposed of any
 10 property, or placed any property out of said county or my
 11 possession for the purpose of avoiding any assessment upon
 12 the same, or of making this statement; and that the debts
 13 therein stated as owing by me are justly due and owing to
 14 others." The affidavit to the statement on behalf of a firm
 15 or corporation must state the principal place of business of
 16 the firm or corporation, and in other respects must conform
 17 substantially to the preceding form. The time when taxes
 18 become delinquent, and the time of the meeting of the county
 19 tax appeal board, must be stated in such form."

20 Section 11. Section 84-510, R.C.M. 1947, is amended to
 21 read as follows:

22 "84-510. List of lands sold by state to be transmitted
 23 by state land agent. On or before the first ~~Monday-in--March~~
 24 day of January in each year, the state land agent must make
 25 out and transmit to the department of revenue where lands or

1 lots lie that ~~may~~ have been sold by the state, for which
 2 certificates of purchase, patents, or deeds have issued,
 3 during the year preceding, certified lists of such lands or
 4 lots, giving a description thereof by divisions or
 5 subdivisions, or lots and blocks, together with the names of
 6 the purchasers thereof."

7 Section 12. Section 84-3808, R.C.M. 1947, is amended
 8 to read as follows:

9 "84-3808. Tax on personal property lien on
 10 realty--separate assessment. (a). Every tax due upon
 11 personal property is a prior lien upon any or all of such
 12 property, which lien shall have precedence over any other
 13 lien, claim or demand upon such property, and except as
 14 hereinafter provided, every tax upon personal property is
 15 also a lien upon the real property of the owner thereof,
 16 from and after 12 ~~on~~ midnight of the first ~~Monday-in-March~~
 17 day of January in each year.

18 (b). The taxes upon personal property based upon a
 19 taxable value up to and including one thousand dollars
 20 (~~\$1000.00~~) (\$1000) shall be a first and prior lien upon the
 21 real property of the owner of such personal property; taxes
 22 upon personal property based upon the taxable value thereof
 23 in excess of one thousand dollars (~~\$1000.00~~) (\$1000) shall
 24 be a first and prior lien upon the real property of the
 25 owner unless the owner or holder of any mortgage or other

1 lien upon said real property appearing of record in the
 2 office of the clerk and ex officio recorder of the county
 3 where such real property is situated at or before the time
 4 such personal property tax attached thereto shall have filed
 5 the notice hereinafter provided for, in which event the
 6 taxes upon such excess of one thousand dollars (~~\$1000.00~~)
 7 (\$1000) of taxable value shall not be a lien on the real
 8 property of such owner. It shall be the duty of the county
 9 treasurer to issue to any mortgagee or lien holder, upon his
 10 request, a statement of the personal property tax due upon
 11 the taxable value up to and including one thousand dollars
 12 (~~\$1000.00~~) (\$1000) and personal property taxes upon a
 13 taxable value up to one thousand dollars (~~\$1000.00~~) (\$1000)
 14 may be paid, redeemed from a tax sale as by law provided, or
 15 discharged separate from any personal property taxes in
 16 excess of such amount. Payment of such taxes upon a taxable
 17 value up to one thousand dollars (~~\$1000.00~~) (\$1000) as
 18 herein provided, shall operate to discharge the tax lien
 19 upon the personal property of the owner to the extent of
 20 such payment in the order that the person paying such tax
 21 shall direct.

22 (c). The holder of any mortgage or lien upon real
 23 property who desires to obtain the benefits of this section
 24 shall file in the office of the county treasurer of said
 25 county a notice giving;

1 (1) the name and address of the mortgagee and holder of
 2 the mortgage or lien;
 3 (2) the name of the reputed owner of the land;
 4 (3) the description of the land;
 5 (4) the date of record and expiration of the mortgage
 6 or lien;
 7 (5) the amount thereof; and
 8 (6) a statement that he claims the benefit of the
 9 provisions of this section; and such notice shall be
 10 ineffectual as to any taxes which shall have become a lien
 11 on real property prior to the filing of such notice as
 12 aforesaid. If the mortgage be not paid at maturity, such
 13 notice shall thereafter be filed annually, unless the
 14 mortgage be extended for a definite period to be stated in
 15 such notice.
 16 (d). Provided, that any owner of a mortgage on real
 17 estate upon which personal property taxes are by this act
 18 made a lien, and where the owner of such real estate and
 19 personal property has failed to pay taxes due upon such real
 20 estate and personal property for one or more years, may file
 21 with the department of revenue or its agent in the county in
 22 which such property is located a written request to have the
 23 personal property and real estate of the owner separately
 24 assessed. Such request must be made by registered mail at
 25 least ten (10) days prior to the first ~~Monday-in--March~~ day

of January in the year for which property is assessed. Upon receipt by the department of revenue or its agent of such request, it is hereby made the duty of the department of revenue or its agent to make a separate assessment of real and personal property of the owner thereof and such personal taxes shall not be a lien upon the real estate so mortgaged of the owner thereof and the said personal property taxes shall be collected in the manner provided by law for other personal property."

Section 13. Section 84-3809, R.C.M. 1947, is amended to read as follows:

"84-3809. Tax upon real property and tax on improvements a lien upon both. Every tax due upon real property is a lien against the property assessed; and every tax due upon improvements upon real estate assessed to others than the owner of the real estate is a lien upon the land and improvements; which several liens attach as of the first Monday-of-March day of January in each year."

Section 14. Section 84-4192, R.C.M. 1947, is amended to read as follows:

"84-4192. Land subject to taxation to purchaser--when. On the first Monday-of-March day of January following the execution of such contracts or deed the land shall be subject to taxation in the name of the purchaser or his assignee and in the event the taxes are not paid and the

same become delinquent said contract shall be subject to cancellation and all payments theretofore made shall be taken, treated, and regarded as rent for said property."

Section 15. Section 84-4209, R.C.M. 1947, is amended to read as follows:

"84-4209. Rate of taxation where property is taxable. All rates of tax levy set by the board of county commissioners on the second Monday in August of each year, shall apply permanently to this class of personal property during the ensuing year, and the treasurer shall, upon collection of any such taxes, immediately distribute the money so collected to the various and proper funds in his charge. Personal property which was in the state and and subject to taxation on the first Monday-of-March day of January of any year shall be taxable wherever and whenever found in any county in the state, whether the same be owned, claimed, or possessed by the person owning, claiming or possessing it on the first Monday-of-March day of January or not; provided, that in case the same property is assessed in more than one county, the county first making the assessment shall be entitled to collect the taxes; provided further, that if the rate of taxation fixed for the year in which the collection is made is an increase over the preceding year's levy, then the said board of county commissioners may direct the county treasurer to collect the amount of such increased

1 levy, but shall not be obliged to do so in cases where, in
 2 the opinion of the board, the cost of collection would
 3 exceed the amount of such increase, and provided further
 4 that if the rate fixed for the year in which the collection
 5 is made shall be less than the levy for the preceding year,
 6 then the person from whom such excess tax was collected may
 7 file with the board of county commissioners a duly verified
 8 claim for a refund of such excess tax, at any time before
 9 the first day of November of the year in which such an
 10 excess was collected, and such claim shall be allowed and
 11 ordered paid by the board of county commissioners to the
 12 amount of such excess."

13 Section 16. Section 84-4604, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4604. Statements to be furnished by officers. The
 16 cashier of every national bank shall make and deliver to the
 17 department of revenue or its agent in the county in which
 18 said bank is located, within five days after demand
 19 therefor, a statement, verified by his oath, showing the
 20 name of each shareholder, with his residence and the number
 21 of shares belonging to him at the close of business ~~the day~~
 22 ~~next-preceding-the-first-Monday-in-March,-in~~ on December 31
 23 each year, as the same then appeared on the books of said
 24 bank, and showing the face value of the capital stock, and
 25 the amount of surplus and undivided profits of said bank,

1 and an estimate of the value for which such stock shall be
 2 assessed. If said cashier fails to make such statement as
 3 required, the department of revenue or its agent shall
 4 forthwith obtain said information from the officers of the
 5 bank and for this purpose shall have access to the books of
 6 the bank, and the department or its agent shall therefor
 7 make an assessment of such stock, which shall be as fair and
 8 equitable as can be made from the best information
 9 available, or the figures disclosed by any prior report of
 10 the officers or directors of the bank, made to any state or
 11 federal officer to whom such bank is by law required to make
 12 reports, may be adopted."

13 Section 17. Section 84-4605, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4605. Taxation of banks and shares of stock in.
 16 (1) Every state bank or banking corporation located and
 17 doing business in this state, and every private banker doing
 18 business in this state, shall be taxable upon the value of
 19 all real estate and personal property owned by such bank,
 20 banking corporation or private banker, and also upon the
 21 moneyed capital employed in such business, such moneyed
 22 capital to be ascertained as provided by section 84-301; and
 23 the cashier or secretary of every such bank or banking
 24 corporation, and every such private banker, shall furnish to
 25 the department of revenue or its agent in the county in

1 which ~~its~~ or his bank is located, within five days after
 2 demand therefor, a statement verified by his oath, showing
 3 all the resources and liabilities of such bank as disclosed
 4 by its books, ~~at twelve o'clock noon on the first Monday of~~
 5 ~~March in each the close of business on December 31 of the~~
 6 ~~preceding~~ year; if such cashier, secretary or private
 7 banker shall fail to make the statement hereby required, the
 8 department or its agent shall forthwith obtain such
 9 information from any other available source, and for this
 10 purpose shall have access to the books of such bank, banking
 11 corporation or private banker. The department or its agent
 12 shall thereupon make an assessment of the real estate and
 13 personal property owned by such bank, banking corporation or
 14 private banker, and of the moneyed capital employed in the
 15 business of such bank, banking corporation or private
 16 banker, which assessment shall be as fair and equitable as
 17 can be made from the best information available or, for the
 18 purpose of said assessment the figures disclosed by any
 19 prior report made by such bank, banking corporation or
 20 private banker to any state or federal officer pursuant to
 21 any state or federal law may be adopted. Any person
 22 required by this section to make the statement hereinabove
 23 provided, who shall fail to furnish the same, shall be
 24 guilty of a misdemeanor and shall be punished accordingly.

25 (2) All shares of stock in any such bank or banking

1 corporation shall be assessed at their full cash value,
 2 except to the extent that that value is represented in
 3 property which is assessable and taxable to such bank or
 4 banking corporation in this state, and shall be taxable to
 5 the owners of such shares in the county, school district,
 6 city, town, or place where such bank or banking corporation
 7 is located and not elsewhere, whether or not the owners of
 8 such shares are residents of such county, school district,
 9 city, town or place.

10 (3) The cashier or secretary of any such bank or
 11 banking corporation shall furnish to the department or its
 12 agent, upon demand, the name of each stockholder with his
 13 residence and the number of shares belonging to him at
 14 ~~twelve o'clock noon of the first Monday in March of each the~~
 15 ~~close of business on December 31 of the preceding~~ year; and
 16 if such cashier or secretary, for more than five days after
 17 such demand, shall fail to furnish such information, he
 18 shall be guilty of a misdemeanor and the department or its
 19 agent may obtain such information from any other available
 20 source, and for such purposes shall have access to the books
 21 of such bank or banking corporation. For convenience the
 22 assessment of such shares shall be entered on the personal
 23 property assessment list under the name of the bank or
 24 banking corporation concerned, but in the assessment list
 25 the names of the owners of such shares shall be set forth

1 and the number of shares owned by each, and such assessment,
 2 when so entered, shall have all the force and effect as if
 3 made in the names of the owners of such shares individually.
 4 The bank or banking corporation in which such shares are
 5 owned shall be liable for the payment of taxes assessed
 6 against such shares, and such taxes shall be payable by and
 7 may be collected from such bank or banking corporation in
 8 the same manner and under the same penalties as other taxes;
 9 provided that such bank or banking corporation may recover
 10 from such owners of shares any taxes so paid on such shares,
 11 and shall have a lien therefor upon such shares and upon any
 12 dividends accrued or to accrue thereon."

13 Section 18. Section 84-4606, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4606. Banks with offices in more than one
 16 county--assessment and apportionment of tax. Any state or
 17 national bank, banking corporation, or private bank, the
 18 stock, moneyed capital, or moneys and credits of which are
 19 subject to taxation under the provisions of chapter 3 and
 20 chapter 46, Title 84, Revised Codes of Montana, 1947, and
 21 which has banking offices in more than one (1) county, shall
 22 furnish to the department of revenue or its agent in each
 23 such county the information required of it by chapter 46,
 24 Title 84, Revised Codes of Montana, 1947, together with a
 25 statement of the book value of real estate owned and located

1 in the respective counties and a statement of the deposit
 2 liability shown by the books of account of said bank at each
 3 of its said banking offices at the close of business ~~the day~~
 4 ~~next--preceding--the-first-Monday-in-March~~ on December 31 of
 5 the preceding year; and the aggregate tax on the stock,
 6 moneyed capital, and moneys and credits of such bank
 7 computed as provided by law shall be assessed by and be paid
 8 to the respective counties in the proportion which the
 9 amount of the deposit liability shown on the books of the
 10 office or offices of such bank located in such counties,
 11 respectively, shall bear to the total deposit liability of
 12 such bank."

13 Section 19. Section 84-5801, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-5801. Production credit associations--assessment
 16 and payment. Every production credit association organized
 17 under the provisions of section 1131d of title 12, United
 18 States Codes annotated shall be assessed for and pay taxes
 19 upon all real and personal property owned by such
 20 association, and also upon the moneyed capital employed in
 21 such business, such moneyed capital to be ascertained by
 22 deducting from the amount of loans, including loans secured
 23 by mortgage on real estate or personal property, the amount
 24 of such loans discounted, and any indebtedness representing
 25 money borrowed for use as moneyed capital. Said moneyed

capital shall be taxed at the same rate and take the same classification as shares of stock in a national bank or moneyed capital coming into substantial competition therewith.

The secretary or managing agent of every such association shall furnish to the assessor of the county in which the principal office of such association is located, within five (5) days after demand therefor, a statement in such detail as the department of revenue or its agent may require, verified by his oath of the resources and liabilities of such association as disclosed by its books, at ~~twelve o'clock noon on the first Monday of March in each~~ the close of business on December 31 of the preceding year.

If such secretary or managing agent shall fail to make the statement hereby required, the department of revenue or its agent shall forthwith obtain such information from any other available source, and for this purpose he shall have access to the books of such association. The department of revenue or its agent shall thereupon make an assessment of the real estate and personal property owned by such association, and of the moneyed capital employed in the business of such association which assessment shall be as fair and equitable as he may be able to make from the best information available, or said assessor may, for the purpose of said assessment, adopt the figures disclosed by any prior report

made by such association to any state or federal officer pursuant to any state or federal law. Any person required by this section to make the statement hereinabove provided, who shall fail to furnish the same, shall be guilty of a misdemeanor and shall be punished accordingly."

Section 20. Section 84-6012, R.C.M. 1947, is amended to read as follows:

*84-6012. Livestock brought into state--notice to department of revenue or its agent. The owner or the agent, manager or foreman of any person, corporation, or association bringing livestock into this state after the first ~~Monday in March~~ day of January shall immediately after said livestock crosses the state line, forward to the department of revenue or its agent in the county into which the livestock is moved, a registered letter, which letter shall contain the name of the owner of such livestock, of the number thereof, the brand thereon, and the ages of the same, together with the time and place at which said livestock was brought across the state line, provided, that the Montana department of livestock sanitary board at least once each month furnish, from own records to the department of revenue or its agent in the county into which such livestock is moved, a list of the number and kind of livestock so moved, together with the name of the owner thereof."

1 Section 21. Section 84-6013, R.C.M. 1947, is amended
2 to read as follows:

3 "84-6013. Collection of tax on livestock. The
4 department of revenue or its agent upon receipt of such
5 letter or other information, that livestock has been brought
6 into his county from outside of the state, after the first
7 ~~Monday---in---March~~ day of January in any year, shall
8 immediately proceed under the provisions of section
9 84-4201."

10 Section 22. Section 89-1805, R.C.M. 1947, is amended
11 to read as follows:

12 "89-1805. Determination of irrigable area. (1) For the
13 purpose of determining the number of acres of irrigable
14 lands in each forty-acre tract or fractional lot as
15 designated by the United States public survey, or platted
16 lot, if land is subdivided in lots and blocks (or where land
17 shall be owned in less than forty-acre tracts or in less
18 than the platted lot, then against each such tract) of land
19 in the district, the board of commissioners of any
20 irrigation district organized hereunder, whenever deemed
21 advisable and at any time except as otherwise provided, may
22 cause a careful topographical survey and map of said lands
23 to be made, as well as a specific examination of the
24 character of the soil of each such tract. Upon completion
25 of such survey and maps, and examination, the board shall

1 give notice that at a meeting of said board, to be held at
2 the office of the board on a day to be fixed in said notice,
3 said board will determine the irrigable area of each such
4 tract of land in the district and that it will hear and
5 consider any objection on the part of any landowner in the
6 district to such determination and to adjustment of the
7 irrigable area of said district or of any lands within any
8 tract or subdivision thereof. It shall not be necessary to
9 describe said tracts in said notice. Such notice shall be
10 given by publication, once a week for two successive
11 calendar weeks, in a newspaper of general circulation in the
12 county where the office of the board is located, and where
13 lands of any irrigation district lie in more than one
14 county, such notice shall also be published in a newspaper
15 or newspapers of general circulation in each such county.
16 The last publication of said notice shall be at least five
17 days prior to the date fixed for said meeting.

18 (2) At such meeting, the board shall proceed to
19 determine and fix the number of acres in each tract or
20 subdivision irrigable from the works or proposed works of
21 the district, and shall hear all persons interested who may
22 appear, and shall continue in session from day to day
23 (exclusive of Sundays and legal holidays) as long as may be
24 necessary and until said determination of irrigable area
25 shall have been completed. The board shall hear all

1 evidence offered, including maps and surveys caused to be
 2 prepared by it as well as maps and surveys prepared by any
 3 owner of lands. Upon such determination, the irrigable area
 4 so fixed shall become, and thereafter be, the acreage upon
 5 which any special tax or assessment shall be levied, and
 6 each irrigable acre shall pay at the same rate as every
 7 other acre of irrigable land in said district shall pay; and
 8 any special tax or assessment levied for any purpose shall
 9 be a lien upon the entire forty-acre tract or fractional lot
 10 as designated by the United States public survey, or platted
 11 lot, if land is subdivided in lots and blocks (or where land
 12 shall be owned in less than forty-acre tracts or in less
 13 than the platted lot, then against each such tract) of land
 14 in the district of which said irrigable area forms a part,
 15 and said lien shall attach to said entire tract as of the
 16 first ~~Monday-of-March~~ day of January in the year in which
 17 said special tax or assessment is levied.

18 (3) Upon completing such determination, the board shall
 19 fix, by appropriate resolution or order, the total acreage
 20 and the irrigable acreage of each such tract or subdivision,
 21 and shall cause to be prepared a list of all lands in said
 22 district, which list shall contain an accurate description
 23 of each such forty-acre tract or fractional lot as
 24 designated by the United States public survey, or platted
 25 lot, if land is subdivided in lots and blocks (or where land

1 shall be owned in less than forty-acre tracts or in less
 2 than the platted lot, then against each such tract) of land
 3 in said district, the total acreage and the number of
 4 irrigable acres therein as so fixed and determined, and the
 5 name of the owner, or holder of title or evidence of title
 6 thereof, ascertained as provided in section 89-1201. Such
 7 list, when completed and adopted, shall be filed in the
 8 office of the board of commissioners and shall remain there
 9 for public inspection. A certified copy of such resolution
 10 and list shall be filed with the county clerk and recorder
 11 of each county in which any portion of the lands in said
 12 district are situated; provided, however, there shall be
 13 omitted from such copy lands not situated in the county in
 14 which such copy is filed.

15 (4) No special tax or assessment shall be levied
 16 against any forty-acre tract, or fractional lot as
 17 designated by the United States public survey, or platted
 18 lot, if land is subdivided in lots and blocks (or where
 19 lands shall be owned in less than forty-acre tracts or in
 20 less than the platted lot, then against each such tract)
 21 found by said board to contain no irrigable land; nor shall
 22 any lien created after the order of determination herein
 23 provided for attach to any such tract, nor shall the owner,
 24 or owners, of any tract or tracts have any vote or votes in
 25 any proceeding or election under the provisions of Chapter

1 146 of the Laws of 1909, or any amendment thereof, or act
2 supplementary thereto, after the making of such order,
3 unless his said land, or a portion thereof, be found by said
4 board to contain an area irrigable from the works, or
5 proposed works, of said district.

6 (5) Upon the determination provided for in this
7 section, the board of commissioners shall have the power to
8 refund any taxes paid, or cancel any unpaid taxes or
9 assessments, levied upon an acreage in excess of that so
10 fixed by said order of determination, and where necessary,
11 may issue warrants therefor.

12 (6) Within sixty days after such resolution adopting
13 said list, the board of commissioners may petition the
14 district court for confirmation of their acts in determining
15 the irrigable area, as aforesaid, and in refunding or
16 canceling any taxes or assessments. The majority in number
17 and acreage of the holders of title or evidence of title to
18 lands in said district, ascertained as in this act provided,
19 may, likewise, within such sixty-day period, petition the
20 district court for review of the actions of the board of
21 commissioners. But one of such proceedings, if prosecuted
22 to determination, shall be exclusive of the other. Upon
23 such proceeding, the court may order any assessment of taxes
24 upon any land or lands to be reduced or raised according to
25 the irrigable area as found by the court, or taxes

1 previously levied upon any area shown to be excessive, to be
2 refunded or canceled.

3 (7) The provisions of section 89-1402, regarding the
4 procedure as well as the right and time to appeal, shall
5 apply to any proceeding instituted in pursuance of the
6 provisions of this section; provided, however, that nothing
7 in this section shall be deemed or construed to affect or
8 impair the lien of any bonds issued by the district; and
9 provided, further, that if confirmation proceedings are held
10 and a certified copy of the order of confirmation be filed
11 with the county clerk and recorder of the county in which
12 any portion of said lands is situated, it shall not be
13 necessary to file in said office the certified copy of the
14 resolution and order of the board, or of the list,
15 hereinabove provided for.

16 (8) Provided, however, that where districts have been
17 established in order to co-operate with the United States
18 under the federal reclamation laws heretofore or hereafter
19 enacted, or under any act of Congress, which shall permit of
20 the performance by the United States of work in this state,
21 for the purposes of construction of irrigation works,
22 including drainage works, or for purchase, extension,
23 operation, or maintenance of construction works, or for the
24 assumption as principal or guarantor, of indebtedness to the
25 United States on account of district laws, the determination

1 of the irrigable area of the lands in said district may be
 2 made by the said board of commissioners in the manner in
 3 this section provided or by the United States at the option
 4 of the latter, and, if the United States determines the
 5 irrigable area, the proceeding for the apportionment and
 6 distribution of the costs of the proposed works or
 7 improvements, hereinafter provided for in section 89-1806
 8 shall not be had."

9 Section 23. Section 89-1806, R.C.M. 1947, is amended
 10 to read as follows:

11 "89-1806. Determination of irrigable area--
 12 apportionment and distribution of costs of proposed works or
 13 improvements. (1) Whenever a petition for the issuance of
 14 bonds of any irrigation district organized hereunder shall
 15 have been filed, as hereinbefore in section 89-1703
 16 provided, the board of commissioners of such district shall
 17 examine, or cause to be examined, each forty-acre tract or
 18 fractional lot as designated by the United States public
 19 survey, or platted lot, if land is subdivided in lots and
 20 blocks (or where land shall be owned in less than forty-acre
 21 tracts or in less than the platted lot, then against each
 22 such tract) of land in said district, and cause a careful
 23 topographical survey and map to be made, in the manner
 24 provided for in section 89-1805. Upon such examination, the
 25 board shall determine the number of irrigable acres in each

1 such tract; and shall apportion and distribute the cost of
 2 the works or improvements for which said bonds are to be
 3 issued, over the tracts within said district according to
 4 the irrigable area in each of said tracts or subdivisions,
 5 so that each such irrigable acre shall be required to bear
 6 the same burden of such costs as each other irrigable acre
 7 in said district, and the special tax or assessment levied
 8 to meet the principal of and interest on said bonds so
 9 authorized, shall become a lien upon the entire tract of
 10 which such irrigable area forms a part or portion as of the
 11 first ~~Monday--in--March~~ day of January of the year in which
 12 such special tax or assessment is levied, and the number of
 13 irrigable acres in each such tract as so determined shall
 14 not be diminished but may be increased during the term for
 15 which any such bonds may be issued or until the bonds shall
 16 be liquidated in full.

17 (2) Provided, however, that if a proceeding for the
 18 determination, in whole or in part, of the irrigable area of
 19 the lands in said district has already been had, or a
 20 topographical survey or maps thereof prepared, or a court
 21 confirmation of said prior proceedings had, in part or in
 22 full, the said board may, in its discretion, adopt all or
 23 such portions of said prior proceedings; and in such an
 24 event, it shall not be necessary to cause an additional
 25 survey, or maps, or examination, of any of such tracts to be

1 again made, or to redetermine the irrigable area of any such
2 tract.

3 (3) The board shall make such determination after
4 hearing had and shall fix the total acreage and the
5 irrigable acreage, and shall cause a list of such irrigable
6 area to be made and filed and the proceedings of the board
7 in connection with such determination, including said
8 hearing and notice of said hearing, and order or resolution
9 fixing the irrigable area and the preparation and filing of
10 said list, shall conform to the requirements set forth in
11 section 89-1805. At such hearing, the said board shall also
12 determine the amount and rate per acre necessary to be
13 levied against each irrigable acre in the district to meet
14 the interest on and principal of said authorized bond issue,
15 and any tax levied for such purposes shall be a lien upon
16 the entire tract of which said irrigable area forms a part.
17 If any landowner in the district shall appear before the
18 board at said time and pay in cash the amount fixed against
19 his said land as its proportion of the amount found
20 necessary for the purposes for which said bonds were
21 authorized and are to be issued, his land shall be excluded
22 from the lien of the bond issue and the amount of bonds
23 intended to be issued shall be reduced by the amount of such
24 payment. Any person interested who shall fail to appear
25 before the board at said meeting shall not thereafter be

1 permitted to contest the proceedings of said board, or any
2 part thereof, except upon special application to the court
3 in the proceedings for the confirmation of said bonds and a
4 showing of reasonable excuse for failure to appear before
5 said board of commissioners.

6 (4) In case any such landowner makes objection to the
7 proceedings of said board in determining the irrigable area
8 in his own or any other tract of land, or the amount or rate
9 per acre of the special tax and assessment to be levied
10 against each irrigable acre in the district for the purposes
11 of the proposed bond issue, and said objection is overruled
12 by the board, such objection without further proceedings
13 shall be regarded as appealed to the district court, and
14 shall, with the other proceedings of said board at said
15 meeting, be heard at the proceedings to confirm said bonds,
16 as provided in section 89-1704, and when so confirmed, said
17 order overruling such objection and confirming the order of
18 the board determining the irrigable area of each tract of
19 land and apportioning the cost of the improvement thereto,
20 shall become final, binding and conclusive upon said
21 landowner and upon the district, unless appealed from as in
22 said section 89-1704 provided.

23 (5) Provided, however, that whenever the irrigable area
24 of the lands in any irrigation district shall have been
25 determined and confirmed, no owner or holder of title or

evidence of title to lands in said district, during the period of any bonds thereafter authorized shall be issued and outstanding, shall have the taxable acreage of his said lands fixed or adjudicated in the manner provided by sections 89-1404 to 89-1408, in such manner or to such extent as to reduce the acreage subject to the payment of such bonds or interest thereon, or in such manner as to affect the security of such bonds or interest thereon."

Section 24. Section 16-4311, R.C.M. 1947, is amended to read as follows:

"16-4311. Withdrawal of portion of district, petition for. Any portion of a public hospital district may be withdrawn therefrom as in this section provided, upon receipt of a petition signed by fifty-one per centum (51%) of the taxpayers, or more, residing in and owning property within the area desired to be withdrawn from any public hospital district, on the grounds that such area will not be benefited by remaining in said district. The board of county commissioners shall, upon the filing of such a petition, fix a time for the hearing of such withdrawal petition which time shall not be more than four (4) weeks after the receipt thereof. The board shall, at least two (2) weeks prior to the time so fixed, publish a notice of such hearing in two (2) successive issues of a newspaper published in the county. No petition for withdrawal shall

be entertained or acted upon by the board, unless the same is filed before ~~the first Monday in March of~~ any December 31 of the preceding year. Any person interested may appear at said hearing and present objections to the withdrawal of said portion from said district. The board shall consider the petition and all objections thereto, and pass upon the merits thereof, and make its order in accordance therewith. Any withdrawal shall be effective as of March January 1 following the issuance of the withdrawal order. Such order is subject to review by the district court of the county, and appeal may be taken from the final judgment of such district court to the supreme court of Montana. All taxable property within the withdrawn area shall remain subject to taxation for any bonded indebtedness of the hospital district existing as of the effective date of the withdrawal, to the same extent as it would have been subject if not withdrawn."

Section 25. Section 75-6505, R.C.M. 1947, is amended to read as follows:

"75-6505. Time limitation for district boundary changes. No elementary district shall be created nor shall any elementary district boundaries be changed between the first day of March January and the second Monday of August of any calendar year except when:

(1) the entire territory of a district is annexed or

1 attached to another district;

2 (2) the entire territory of the portion of a joint
3 district located in one (1) county is annexed or attached to
4 another district; or

5 (3) two (2) or more districts are consolidated in their
6 entirety."

-End-

TAXATION COMMITTEE

March 10, 1975

Chairman Dan Yardley called the meeting to order at 8:00 a.m. in room #108, Capitol Building, Helena. All members were present except Rep. W. Jay Fabrega and Rep. Wes Teague, who were excused; Reps. Duane Johnson and Edward Lien were absent. Senate bills 160, 127 and 32 were scheduled to be heard.

Senator Chet Blaylock, District 35, Yellowstone County, introduced Senate Bill 127 at the request of the department of revenue. He introduced Mr. James Madison, administrator of Miscellaneous Tax Division of the department of revenue, who explained SB 127 is a housecleaning bill intended to correct various administrative problems by deleting any reference to the state treasurer since that office has not had any responsibilities with the crude oil producers' license tax in excess of ten years, and there is no feeling of opposition as far as the department is concerned.

In order that the filing period of 60 days be the same in statutes 84-2207 and 84-2203, SB 127 includes this change. This bill also changes the method of tax collections, penalties, and interest charges, and provides for filing of a lien upon any and all property owned by a person within the state in payment of a tax. The bill is trying to standardize penalty and interest provisions. Although there is not too much trouble collecting this tax, there are some delinquencies, and SB 127 provides for the same procedure for collection that is used for income tax and corporate license taxes.

Senate Bill 160, sponsored by Senator Blaylock of Yellowstone County at the request of the department of revenue, was explained by Mr. Tom Stoll of the Inheritance Tax Division of the department of revenue, as providing that a certificate or receipt from the county treasurer can be used in closing an estate. The inheritance tax is usually collected by the county treasurer and without this amendment, the information from the county treasurer would have to be sent to the department of revenue requiring about 30 days, and then another 15 to 20 days more time is required before a receipt showing taxes as being paid would be able to be issued - SB 160 will provide a quicker means of closing an estate. "Receipt" was omitted erroneously from the probate code and this will correct this situation and make a certificate or receipt that taxes are paid available more quickly. The procedure should be cleared up by this bill.

Mr. Dennis Burr, department of revenue, explained SB 32 in the absence of Senator Fasbender, as changing the assessment date of property from the first Monday in March to January 1st. It is not understood just how March was chosen as assessment date many years ago. SB 32 would make assessment date correspond with the fiscal years for many businesses and also the calendar year. The state can lower classification ratings and still get as much revenue. Assessment roles have to be completed by July 1, and since there are so many appeals,

changing completion of assessment date forward would allow more tax appeals to be heard before July. SB 342 is supposed to correct this change for livestock.

Hearing adjourned at 8:20 a.m., and the committee went into executive session.

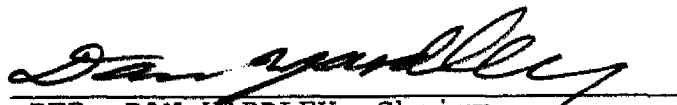
SENATE BILL 127 - Rep. Ora J. Halvorson moved that Senate Bill 127 DO PASS. Motion carried unanimously.

Mr. Tom Keegan, attorney for the committee, is to check on "twenty" on page 2, line 14 in Senate Bill 147.

SENATE BILL 160 - Rep. Bill Thomas made a motion that Senate Bill 160 DO PASS. Motion carried unanimously.

SENATE BILL 32 - Rep. E. N. Dassinger made a motion that Senate Bill 32 Do Pass. Rep. David Ageson made a substitute motion that action on SB 32 be delayed until at least Wednesday to allow for further consideration. Motion carried unanimously.

Executive session adjourned at 8:40 a.m.



REP. DAN YARDLEY, Chairman

TAXATION COMMITTEE

March 15, 1975

Chairman Dan Yardley called the meeting to order at 8:10 a.m. in room #108, Capitol Building, Helena. All members were present with the exception of Reps. Esther Bengtson, Harrison Fagg, Daniel Kemmis, and Bill Thomas who were excused. Senate Bills 186, 244, and 165 were scheduled to be heard.

Senator Miles Romney, District 46, Ravalli County, explained Senate Bill 186 has the approval of the department of revenue and he is carrying this bill for them.

SENATE BILL 186 Mr. Robert S. McGee, department of revenue, said SB 186 was largely due to the fact that the penalty and interest clause was left out of the bill when drafted in the 1973 session. SB 186 provides for filing of a lien in addition to penalty and interest and gives the department permission to waive penalty when reasonable cause is shown. New language allows them to determine and fix amount of tax and penalty due from any available source that they may have from any preceding year. The tax can be estimated and a statement mailed for tax due.

There were no opponents.

Rep. Fabrega thought 1% per month interest rate was usurious when a 10% limit has been held. Sen. Romney said there are a number of bills of similar character changing the penalty and interest rate and the department is trying to get them all in the same category in this field and they are all directed to that end. There are different interest rates floating around and it is not settled as yet. There are 27 different forms of taxation and the department of revenue is attempting to standardize all of them so that all will have the same penalty and interest.

SENATE BILL 165 Senator V. E. Cetrone, District 33, Yellowstone County, stated that SB 165 is a simple little tax-cut bill that should generate more money! It is a companion bill to Senate Bill 32. At present, inventories are assessed on the first Monday in March and the problem is that there is no check as to whether this is an accurate figure. By changing the date of assessment back to January 1, it would be the same date as that of income tax inventories, and the inventory figures should be the same. People will have less opportunity to change that figure. At this time, the tax is prohibitive at 30% of tax basis. SB 165 cuts this rate back to 7% of assessment basis, thereby making the tax more equitable. The idea is that everyone will pay it and thereby generate more income for the state.

Mr. Dennis Burr, department of revenue, passed out some figures showing the difference in 50 different businesses as to inventory figures on the first Monday in March, and income tax inventories for Jan. 1. These figures are attached. Reduction of the class percentage would still make for a higher revenue by about \$100,000. He advised not to pass SB 165 unless SB 32 is passed.

Mr. Daniel Dyrdaahl, Montana State Pharmaceutical Assoc., Helena, stated this is not a new question. He said the Montana Taxation Task Force of 1966 urged NOT taxing merchants' inventories. See his witness statement. SB 165 works against the merchants and consumers in Montana.

Mr. Tom Windsor, Montana Chamber of Commerce, concurs that SB 165 and SB 32 ought to be passed together. Merchants who have honestly paid their tax will be relieved of some tax as this bill would encourage honesty and fairness.

OPPONENT:

Mr. Dean Zinnecker, Montana Association of Counties, Helena, stated there is some doubt in their minds as to whether this will actually increase revenue or not, and they don't know what effect it will have on the counties who have to provide services as they have to have finances to do so. He opposes SB 165.

Upon closing, Sen. Cetrone said the current tax rate is prohibitive and this is a means to cause more equity and perhaps generate more income and also increase honesty.

Questions revealed that Schedule C would be required to be filed which shows the inventories as reported for income tax purposes. Rep. Halvorson wanted to know who doesn't pay, and that you have to look at the impact on the merchant and consumer. Real factor is that the inventory shows a tax deduction on income tax and an expense on property tax, and by having the same date, they can compare the figures more accurately. How will inventories of firms not on a calendar year be determined? Inventory would be as of the end of the fiscal year. What about businesses that report on the cash basis?

SENATE BILL 244 Senator John E. Manley, District 14, Powell County, chief sponsor of Senate Bill 244, was not present, so Mr. Dean Zinnecker, Montana Association of Counties, Helena, presented SB 244. He said this bill passed with only 18 votes in the Senate. It is an amendment to article VIII, section 3 of the constitution which would present to the voters for their decision whether to transfer general property tax administration back to the counties. Montana Association of Counties is in favor of SB 244. Because of mostly personnel problems existing in the counties, this administration was turned over to the department of revenue who levied a 3 mill tax for this job, but had to go to the general fund for an additional \$20 to \$30 million dollars because the state could not do the job on the 3 mill levy revenue of \$30 million dollars any better than the counties.

Mr. Dennis Burr, department of revenue, said the counties doing the job poorly is not a good argument, for the three mill levy was not sufficient to do the job. If there were no statewide property tax levies, there would be no need for state control of the levy. If there are statewide levies, there has to be some equalization between the counties.

Rep. Fabrega brought out that SB 165 would be difficult to administer if SB 244 were passed.

Hearing adjourned at 8:35 a.m.

Committee went into executive session at 8:35 a.m.

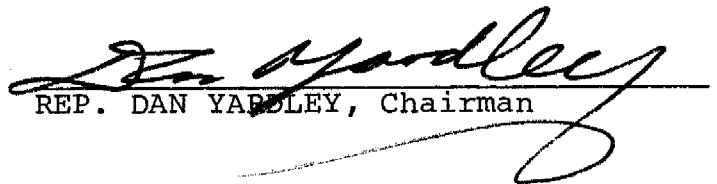
SENATE BILL 244 - Rep. J. Melvin Williams moved that SB 244 DO NOT PASS. Motion carried with Reps. Tom Hager, Edward Lien, David Aageson, and John Anderson voting NO. So SENATE BILL 244 BE NOT CONCURRED IN.

SENATE BILL 32 - Rep. W. Jay Fabrega moved that Senate Bill 32 DO PASS. Motion carried with Reps. David Aageson, Edward Lien, and Duane Johnson voting NO. So SENATE BILL 32 DO BE CONCURRED IN.

SENATE BILL 165 - Rep. W. Jay Fabrega moved that Senate Bill 165 BE CONCURRED IN. Motion carried unanimously.

Rep. Fabrega will carry Senate Bills 32 and 165 on the House floor. Rep. Lien will carry SB 244.

Meeting adjourned at 9:00 a.m.


REP. DAN YARBLEY, Chairman

That Senate Bill No. 269 be concurred in. (80-1)

That Senate Bill No. 278 be amended as follows:

1. Amend page 10, section 14, lines 14 through 17.

Insert: subsections (2) and (3) in their entirety as they appeared in the Third Reading copy before being struck by the House Committee on Agriculture, Livestock, and Irrigation Amendment No. 1, dated March 14, 1975. (55-20)

Wyrick present at this time.

And as amended, be concurred in. (67-11)

That Senate Bill No. 315 be passed to the bottom of the board.

That Senate Bill No. 337 be concurred in. (75-0)

That Senate Bill No. 371 be concurred in. (74-1)

That Senate Bill No. 372 be concurred in. (79-2)

That Senate Bill No. 379 be amended as follows:

1. Amend page 2, section 1, line 16.

Following: "fund."

Strike: ""

Insert: a new subsection

"(3) A county that requires additional revenues to finance the county road fund at the level of funding provided by this section prior to these 1975 amendments may levy up to five (5) mills in addition to the general road tax authorized under section 32-3601, R.C.M. 1947." (70-12)

Menahan present at this time.

And as amended, be concurred in. (48-40)

That Senate Amendments to House Bills and Conference Committee reports be passed to the bottom of the board.

That Senate Bill No. 300 be passed to the bottom of the board.

That Senate Bill No. 397 be concurred in. (68-6)

That Senate Bill No. 165 be placed below Senate Bill No. 32 on the board.

That Senate Bill No. 32 be concurred in. (64-7)

Meloy replaces Jack Moore in the Chair.

That Senate Bill No. 165 be concurred in. (75-8)

Jack Moore resumes the Chair.

That Senate Bill No. 92 be amended as follows:

1. Amend page 3, line 11.

Strike: "thirty days"

Insert: "ninety days"

2. Amend page 3, line 14.

Following: "operator"

Insert: "in compliance with the water use act" (81-0)

And as amended, be concurred in. (82-3)

Motion carried.

Driscoll moved that House Bill No. 576 be taken from Second Reading to a time when the long-range building program package is ready for debate.

Motion carried.

Driscoll moved that the Governor's amendatory veto of Senate Bill No. 108 be placed on Second Reading this day.

Motion carried.

Federico moved that Senate Bill No. 203 be taken from Third Reading and be placed on Second Reading.

Motion failed.

Jim Moore moved that consideration of Senate Bill No. 203 on Third Reading be passed for the day.

Motion carried.

THIRD READING OF BILLS

The following bills having had been read three several times, title and history agreed to, were disposed of in the following manner:

Senate Bill No. 23 was concurred in by the following vote:

Ayes: Aageson, C. R. Anderson, J. Anderson, Asher, Babcock, R. Baeth, W. Baeth, Barrett, Bengtson, Bertelsen, Bradley, Brand, Casey, Conroy, Day, Driscoll, Dussault, Ellis, Ellison, Fabrega, Fagg, Federico, Finley, Fishbaugh, Fleming, Gerke, Gilligan, Gould, Gunderson, Guthrie, Gwynn, Hageman, Hager, Halvorson, Harper, Helmbrecht, Herlevi, Holmes, Hubing, Huennekens, Jacobsen, Johnson, Johnston, Kanduch, Kelly, Kemmis, Kendall, Kimble, Kummerfeldt, Kvaalen, Lester, Lien, Lockrem, Lory, Luebeck, Lund, Lynch, Magone, Manuel, Marks, Meloy, Menahan, Mercer, Jack Moore, James Moore, Mular, Murphy, O'Connell, Palmer, Rasmussen, Richards, Robbins, Scully, Seifert, Shelden, Sivertsen, Sloan, South, Staigmilller, Stoltz, Teague, Tropila, Underdal, Vincent, Williams, Wolfe, Wood, Wyrick, Yardley, Mr. Speaker. Total 90.

Noes: None.

Excused: Ellerd, McFadden, Quilici, Schye, Smith, Thomas. Total 6.

Absent or not voting: Bardanouve, Dassinger, Kropp, Travis. Total 4.

Senate Bill No. 25 was taken from Third Reading and placed on Second Reading.

Senate Bill No. 32 was concurred in by the following vote:

Ayes: J. Anderson, Asher, Babcock, R. Baeth, W. Baeth, Bardanouve, Barrett, Bengtson, Bertelsen, Bradley, Brand, Conroy, Dassinger, Driscoll, Dussault, Ellis, Ellison, Fabrega, Fagg, Federico, Finley, Fleming, Gerke, Gilligan, Gould, Gunderson, Gwynn, Hageman, Hager, Halvorson, Harper, Helmbrecht, Herlevi, Holmes, Huennekens, Jacobsen, Johnson, Johnston, Kanduch, Kelly, Kemmis, Kendall, Kimble, Kropp, Kummerfeldt, Lester, Lory, Luebeck, Lund, Magone, Marks, Meloy, Menahan, Jack Moore, James Moore, Murphy, O'Connell, Palmer, Rasmussen, Richards, Scully, Seifert, Shelden, Sloan, South, Staigmilller, Stoltz, Teague, Tropila, Underdal, Vincent, Williams, Wolfe, Yardley, Mr. Speaker. Total 75.

Noes: Aageson, C. R. Anderson, Casey, Day, Fishbaugh, Guthrie,

Hubing, Kvaalen, Lien, Lockrem, Lynch, Manuel, Mercer, Mular, Robbins, Sivertsen, Wood, Wyrick. Total 18.

Excused: Ellerd, McFadden, Quilici, Schye, Smith, Thomas. Total 6.

Absent or not voting: Travis. Total 1.

Senate Bill No. 103 was concurred in by the following vote:

Ayes: Aageson, C. R. Anderson, J. Anderson, Babcock, R. Baeth, W. Baeth, Bardanouve, Barrett, Bengtson, Bertelsen, Bradley, Brand, Casey, Conroy, Dassinger, Day, Driscoll, Dussault, Ellerd, Ellis, Ellison, Fabrega, Fagg, Federico, Finley, Fishbaugh, Fleming, Gerke, Gilligan, Gould, Gunderson, Guthrie, Gwynn, Hageman, Hager, Halvorson, Harper, Helmbrecht, Herlevi, Holmes, Hubing, Huennekens, Jacobsen, Johnson, Johnston, Kanduch, Kelly, Kemmis, Kendall, Kimble, Kropp, Kummerfeldt, Kvaalen, Lester, Lien, Lockrem, Lory, Luebeck, Lund, Lynch, Magone, Manuel, Marks, Meloy, Menahan, Mercer, Jack Moore, James Moore, Mular, Murphy, O'Connell, Palmer, Rasmussen, Richards, Robbins, Scully, Seifert, Shelden, Sivertsen, Sloan, South, Staigmillier, Stoltz, Teague, Travis, Tropila, Underdal, Vincent, Williams, Wolfe, Wood, Wyrick, Yardley, Mr. Speaker. Total 93.

Noes: Asher. Total 1.

Excused: Ellerd, McFadden, Quilici, Schye, Smith, Thomas. Total 6.

Absent or not voting: None.

Senate Bill No. 120 was concurred in by the following vote:

Ayes: Aageson, C. R. Anderson, J. Anderson, Asher, Babcock, R. Baeth, W. Baeth, Bardanouve, Barrett, Bengtson, Bertelsen, Bradley, Brand, Casey, Conroy, Dassinger, Day, Driscoll, Dussault, Ellis, Ellison, Fabrega, Fagg, Federico, Finley, Fishbaugh, Fleming, Gerke, Gilligan, Gould, Gunderson, Guthrie, Gwynn, Hageman, Hager, Halvorson, Harper, Helmbrecht, Herlevi, Holmes, Hubing, Huennekens, Jacobsen, Johnson, Johnston, Kanduch, Kelly, Kemmis, Kendall, Kimble, Kropp, Kummerfeldt, Kvaalen, Lester, Lien, Lockrem, Lory, Luebeck, Lund, Lynch, Magone, Manuel, Marks, Meloy, Menahan, Mercer, James Moore, Mular, Murphy, O'Connell, Palmer, Rasmussen, Richards, Robbins, Scully, Seifert, Shelden, Sivertsen, Sloan, South, Staigmillier, Stoltz, Teague, Travis, Tropila, Underdal, Vincent, Williams, Wolfe, Wood, Wyrick, Yardley, Mr. Speaker. Total 93.

Noes: Jack Moore. Total 1.

Excused: Ellerd, McFadden, Quilici, Schye, Smith, Thomas. Total 6.

Absent or not voting: None.

Senate Bill No. 122 was concurred in by the following vote:

Ayes: Aageson, C. R. Anderson, J. Anderson, Asher, Babcock, R. Baeth, W. Baeth, Bardanouve, Barrett, Bengtson, Bertelsen, Bradley, Brand, Casey, Conroy, Dassinger, Day, Driscoll, Dussault, Ellis, Ellison, Fabrega, Fagg, Federico, Finley, Fishbaugh, Fleming, Gerke, Gilligan, Gould, Gunderson, Guthrie, Gwynn, Hageman, Hager, Halvorson, Harper, Helmbrecht, Herlevi, Holmes, Hubing, Huennekens, Jacobsen, Johnson, Johnston, Kanduch, Kelly, Kemmis, Kendall, Kimble, Kropp, Kummerfeldt, Kvaalen, Lester, Lien, Lockrem, Lory, Lund, Lynch, Magone, Manuel, Marks, Meloy, Menahan, Mercer, James Moore, Mular, Murphy, O'Connell, Palmer, Rasmussen, Richards, Robbins, Scully, Seifert, Shelden, Sivertsen, Sloan, South, Staigmillier, Stoltz, Teague,

SENATE BILL NO. 32

INTRODUCED BY PASSENDER, TURNAGE, GREELY, LYNCH

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE TIME OF ASSESSMENT OF PROPERTY FROM THE FIRST MONDAY IN MARCH TO THE FIRST DAY OF JANUARY BY AMENDING SECTIONS 7-122, 16-4019, 53-639.1, 46-2704, 46-2604, 46-2809, 81-928, 84-406, 84-409, 84-410, 84-510, 84-3808, 84-3809, 84-4192, 84-4209, 84-4604, 84-4605, 84-4606, 84-5601, 84-6012, 84-6013, 89-1805, AND 89-1806, R.C.M. 1947, AND CHANGING THE TIME FOR WITHDRAWAL FROM A PUBLIC HOSPITAL DISTRICT AND FOR CHANGING BOUNDARIES OF AN ELEMENTARY SCHOOL DISTRICT TO COINCIDE WITH THE JANUARY 1 ASSESSMENT DATE BY AMENDING SECTIONS 16-4311 AND 75-6505, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 7-122, R.C.M. 1947, is amended to read as follows:

"7-122. Taxation of associations. Every association shall be assessed for and pay taxes upon all real and personal property owned by such association, and also upon the moneyed capital employed in such business, such moneyed capital to be ascertained by deducting from the amount of bonds, notes and other evidences of indebtedness, including evidences of indebtedness secured by mortgage on real estate

or personal property, of such associations, the amount standing to the credit of the members of any such association, upon its books, and any indebtedness representing money borrowed for use as moneyed capital. Said moneyed capital as so ascertained shall be taxed at the same rate and take the same classification as shares of stock in a national bank or moneyed capital coming into substantial competition therewith. The secretary of every such association shall furnish to the department of revenue or its agent in the county in which the principal office of such association is located, within five (5) days after demand therefor, a condensed statement verified by his oath, of the resources and liabilities of such association as disclosed by its books, at twelve o'clock noon on the first ~~Monday of March~~ day of January in each year; if such secretary shall fail to make the statement hereby required, the department or its agent shall forthwith obtain such information from any other available source, and for this purpose he shall have access to the books of such association. The department or its agent shall thereupon make an assessment of the real estate and personal property owned by such association, and of the moneyed capital employed in the business of such association, which assessment shall be as fair and equitable as he may be able to make from the best information available, or the

1 department or its agent may, for the purpose of said
 2 assessment, adopt the figures disclosed by any prior report
 3 made by such association to any state or federal officer
 4 pursuant to any state or federal law. Any person required
 5 by this section to make the statement hereinabove provided,
 6 who shall fail to furnish the same, shall be guilty of a
 7 misdemeanor and shall be punished accordingly.

8 The amount standing to the credit of each member of any
 9 such association, upon its books, shall be considered and
 10 held as the individual credit of each member, and each
 11 member shall list the shares held by him for taxation, at
 12 their real value in money, in the county of his residence,
 13 the same as other credits are listed, except shares from
 14 which loans have been made, or money advanced, by the
 15 association, and as to such shares they shall be listed for
 16 taxation at the net cash value of the stock, to be
 17 ascertained by deducting the loan from the cash value of the
 18 shares. Associations organized under or controlled by this
 19 act shall be subject to taxation in no other way."

20 Section 2. Section 16-4019, R.C.M. 1947, is amended to
 21 read as follows:

22 "16-4019. Assessment of property. The county assessor
 23 of a county abandoned and abolished under the provisions of
 24 this act shall, within ten (10) days after it comes to exist
 25 deliver to the county assessor of each county to which any

1 part of its territory had been attached and become a part of
 2 all assessment lists, reports, documents and instruments
 3 relating to, concerning, or in any way affecting the
 4 assessment during the then current assessment year of all
 5 taxable property within such portion of such abandoned and
 6 abolished county, and it shall be the duty of the assessor
 7 of the county, to whom such assessment lists, reports,
 8 documents and instruments have been delivered by the
 9 assessor of the abandoned and abolished county, to complete
 10 all assessments and to fully assess, during the then current
 11 assessment year, all taxable property situated or located,
 12 on the first ~~Monday of March~~ day of January of such year,
 13 within the boundaries of such part of such abandoned and
 14 abolished county, and each such county assessor shall, in
 15 all matters and things connected in any way with the making
 16 of such assessments, have, possess and exercise all of the
 17 powers and rights and shall perform all of the duties which
 18 the assessor of the abandoned and abolished county would, or
 19 could have had, possessed, exercised or performed if such
 20 county had not been abandoned and abolished. The county
 21 assessor of such abandoned and abolished county shall, until
 22 twelve (12:00) o'clock midnight of the thirtieth day of June
 23 when said county ceases to exist, aid and assist the county
 24 assessors of the counties to which any part of the territory
 25 so to be abandoned and abolished will be attached and made a

part, in the listing and assessing of all taxable property situated or located within each of such counties to the end that all taxable property within the boundaries of such abandoned county will be fully assessed and taxed."

Section 3. Section 53-639.1, R.C.M. 1947, is amended to read as follows:

"53-639.1. Special mobile equipment—exemption from registration and payment of fees and charges—identification plate—application—fee—publicly owned special mobile equipment. (1) A person, firm, partnership, or corporation who owns, leases, or rents special mobile equipment as defined in section 53-642 and occasionally moves that equipment on, over, or across the highways of the state, is not subject to registration of that equipment or required to pay the fees and charges provided for in chapters 32 through 35 of Title 32. Prior to movement on the highways, however, each piece of equipment shall display an equipment identification plate or a dealers' license plate attached to the equipment.

(2) Annual application for the identification plate shall be made to the county treasurer before any piece of equipment is moved on the highways. Application shall be made on a form furnished by the department of justice, together with the payment of a fee of five dollars (\$5). The equipment for which a special mobile equipment plate is

sought, is subject to the assessment of personal property taxes ~~either~~ on the date application is made for the plate, ~~if that date falls between the first day of January and the first Monday of March, or on the first Monday of March.~~ The personal property taxes assessed against the special mobile equipment must be paid before the issuance of a special mobile equipment plate. The fees collected under this section belong to the county road fund.

(3) The identification plate expires on ~~March~~ December 31 of each year.

(4) Publicly owned special mobile equipment, and implements of husbandry used exclusively by an owner in the conduct of his own farming operations, are exempt from this section."

Section 4. Section 46-2704, R.C.M. 1947, is amended to read as follows:

"46-2704. Tax levy—special fund. Said county livestock protective committee may recommend to the board of county commissioners the levy of a tax in an amount not to exceed twenty-five cents (25¢) per head on all assessable cattle in the county on the first ~~Monday of March~~ day of January and the board of county commissioners shall thereupon be empowered to levy such tax, to be collected as other taxes on personal property, and when collected to be deposited by the county treasurer in a special fund to be

1 known as the stockmen's special deputy fund, together with
2 any other funds made available from county, state, federal
3 or private sources for the purposes of this act."

4 Section 5. Section 46-2804, R.C.M. 1947, is amended to
5 read as follows:

6 "46-2804. Tax levy—deposit of proceeds. Said district
7 cattle protective committee may recommend to the board of
8 county commissioners the levy of a tax in an amount not to
9 exceed twenty-five cents (25¢) per head on all assessable
10 cattle in the district on the first ~~Monday of March~~ day of
11 January and the board of county commissioners shall
12 thereupon be empowered to levy such tax, to be collected as
13 other taxes on personal property, and when collected to be
14 deposited in the county treasury of one of the counties in
15 the district, to be selected by the district cattle
16 protective committee, in a special fund to be known as the
17 stockmen's special deputy fund, together with any other
18 funds made available from county, state, federal or private
19 sources for the purposes of this act."

20 Section 6. Section 46-2809, R.C.M. 1947, is amended to
21 read as follows:

22 "46-2809. Tax levy—deposit of proceeds. Said district
23 cattle protective committee may recommend to the board of
24 county commissioners the levy of a tax in an amount not to
25 exceed twenty-five cents (25¢) per head on all assessable

1 cattle in the district on the first ~~Monday of March~~ day of
2 January and the board of county commissioners shall
3 thereupon be empowered to levy such tax, to be collected as
4 other taxes on personal property, and when collected to be
5 deposited in the county treasury in a special fund to be
6 known as the stockmen's special deputy fund, together with
7 any other funds made available from county, state, federal
8 or private sources for the purposes of this act."

9 Section 7. Section 81-928, R.C.M. 1947, is amended to
10 read as follows:

11 "81-928. Land subject to taxation. (1) State lands
12 purchased from the state are subject to taxation to the full
13 value thereof. The department of revenue shall assess the
14 purchaser for the full value of the land on the first ~~Monday~~
15 of March day of January following the date of purchase. The
16 holder of certificates of purchase to lands within
17 irrigation districts is liable for the entire tax levied
18 against the land thereunder on account of such irrigation
19 district.

20 (2) The improvements on the land shall be assessed and
21 taxed as other improvements on farm lands.

22 (3) On or before ~~March~~ January 15 of each year, the
23 department shall furnish the department of revenue or its
24 agent in each county with a complete list of all state lands
25 sold in his county during the year ending on the previous

1 ~~December 31 the first Monday of March of each year.~~ This
 2 list shall show the name and address of the purchaser, the
 3 legal description of the land, and the acreage contained
 4 therein."

5 Section 8. Section 84-406, R.C.M. 1947, is amended to
 6 read as follows:

7 "84-406. Time of assessment — motor vehicles —
 8 mobile homes—livestock—snowmobiles. (1) The department of
 9 revenue or its agent must, between the first ~~Monday of March~~
 10 day of January and the second Monday of July in each year,
 11 ascertain the names of all taxable inhabitants, and assess
 12 all property in each county subject to taxation, except such
 13 as is required to be assessed by the state department of
 14 revenue, and must assess such property to the persons by
 15 whom it was owned or claimed, or in whose possession or
 16 control it was at 12 midnight of the first ~~Monday of March~~
 17 day of January next preceding. It must also ascertain and
 18 assess all mobile homes arriving in ~~his the~~ county after 12
 19 midnight of the first ~~Monday of March day of January~~
 20 preceding. The procedure provided by this section shall not
 21 apply to:

22 (a) Motor vehicles which are required by subdivision
 23 (2) hereof to be assessed as of the first day of January;
 24 but no mistake in the name of the owner or supposed owner of
 25 real property renders the assessment thereof invalid.

1 (b) Livestock being fed in feeding pens or enclosures
 2 which may be by subdivision (3) of this section be assessed
 3 on an average inventory basis. Credits must be assessed as
 4 provided in section 84-101, subdivision 6.

5 (c) Property defined in section 53-642 as "special
 6 mobile equipment" ~~shall be which is~~ subject to assessment of
 7 personal property taxes ~~either~~ on the date that application
 8 is made for a special mobile equipment plate, ~~if that date~~
 9 ~~falls between the first day of January and the first Monday~~
 10 ~~of March, or on the first Monday of March.~~

11 (d) Mobile homes held by a distributor or dealer of
 12 mobile homes as a part of his stock in trade.

13 (e) Snowmobiles and campers which are required by
 14 subdivision 4 hereof to be assessed as of the first day of
 15 January.

16 (2) The department or its agent must ascertain and
 17 assess all motor vehicles, except mobile homes, in each
 18 county subject to taxation as of January 1 in each year, and
 19 the same shall be assessed to the persons by whom owned or
 20 claimed, or in whose possession or control such vehicle was
 21 at 12 midnight of the first day of January in each year.
 22 Provided that such tax shall not be assessed against motor
 23 vehicles which constitute inventory of motor vehicle dealers
 24 as of January 1, but said vehicles, and all other motor
 25 vehicles brought into the state subsequent to January 1, as

motor vehicle dealer's inventory, shall be assessed to their respective purchasers as of the dates said vehicles are registered by said purchasers, and purchasers means and includes dealers who apply for registration or re-registration of motor vehicles, except as otherwise provided by section 32-3315. Goods, wares and merchandise of motor vehicle dealers, other than new motor vehicles and new mobile homes, shall ~~continue to~~ be assessed at full and true value as of the first ~~Monday of March~~ day of January.

Except that this paragraph shall not apply to an applicant for registration or re-registration of a mobile home, nothing herein contained shall relieve the applicant for registration or re-registration of any other motor vehicle so assessed or subject to assessment of the duty of paying taxes thereon as a condition precedent to registration or re-registration in the event said taxes have not been paid by any prior applicant or owner in all cases where required to be paid.

(3) The assessed value of livestock being fed in feeding pens or enclosures on the first ~~Monday in March~~ day of January may be computed by adding the value of livestock more than six (6) months of age being fed on the last day of each month since the last assessment date and dividing the sum by twelve (12).

(4) The department of revenue or its agent must

ascertain and assess all snowmobiles and campers in each county subject to taxation as of January 1 in each year, and the same shall be assessed to the persons by whom owned or claimed, or in whose possession or control such snowmobile or campers was, including dealers, at 12 ~~midnight~~ of the first day of January in each year; ~~provided, however, that snowmobiles and campers which constitute inventory of snowmobile dealers and camper dealers shall be assessed to the dealers as of 12 M of the first Monday of March in each year.~~

Section 9. Section 84-409, R.C.M. 1947, is amended to read as follows:

"84-409. Statement—what to contain. The department of revenue or its agent must require from each person a statement under oath setting forth specifically all the real and personal property owned by such person, or in his possession, or under his control at twelve o'clock ~~at~~ midnight on the first ~~Monday in March~~ day in January. Such statement must be in writing, showing separately:

1. All property belonging to, claimed by, or in the possession, or under the control or management of such person.

2. All property belonging to, claimed by, or in the possession, or under the control or management of any firm of which such person is a member.

3. All property belonging to, claimed by, or in the possession, or under the control or management of any corporation of which such person is president, secretary, cashier, or managing agent.

4. The county in which such property is situated, or in which it is liable to taxation, and (if liable to taxation in the county in which the statement is made) also the city, town, school district, road district, or other revenue districts in which it is situated.

5. An exact description of all lands in parcels or subdivisions, not exceeding six hundred and forty acres each, and the sections and fractional sections of all tracts of land containing more than six hundred and forty acres which have been sectionized by the United States government; improvements, and personal property, including all vessels, steamers, and other watercraft, and all taxable state, county, city, or other municipal or public bonds, and the taxable bonds of any person, firm, or corporation, and deposits of money, gold dust, or other valuables, and the names of the persons with whom such deposits are made, and the places in which they may be found; all mortgages, deeds of trust, contracts, and other obligations by which a debt is secured, and the property in the county affected thereby.

6. All solvent credits, secured or unsecured, due or owing to such person or any firm of which he is a member, or

due or owing to any corporation of which he is president, secretary, cashier, or managing agent.

Whenever one member of a firm, or one of the proper officers of a corporation, has made a statement showing the property of the firm or corporation, another member of the firm, or another officer, need not include such property in the statement made by him; but this statement must show the name of the person or officer who made the statement in which such property is included.

7. All depots, shops, stations, buildings, and other structures erected on the space covered by the right of way, and all other property owned by any person, corporation, or association of persons, owning or operating any railroad within the county.

The fact that such statement is not required, or that a person has not made such statement under oath, or otherwise, does not relieve his property from taxation."

Section 10. Section 84-410, R.C.M. 1947, is amended to read as follows:

"84-410. Department of revenue to furnish blanks, etc. The department of revenue must furnish its agents with blank forms of the statements provided for in the preceding section, affixing thereto an affidavit, which must be substantially as follows: "I,....., do swear that I am a resident of the county of(naming it), and that my

post-office address is; that the above list contains a full and correct statement of all property subject to taxation, which I, or any firm of which I am a member, or any corporation, association, or company of which I am president, cashier, secretary, or managing agent, owned, claimed, possessed, or controlled at twelve o'clock ~~at~~ midnight on the first ~~Monday in March~~ day of January last, and which is not already assessed this year; and that I have not in any manner whatsoever transferred or disposed of any property, or placed any property out of said county or my possession for the purpose of avoiding any assessment upon the same, or of making this statement; and that the debts therein stated as owing by me are justly due and owing to others." The affidavit to the statement on behalf of a firm or corporation must state the principal place of business of the firm or corporation, and in other respects must conform substantially to the preceding form. The time when taxes become delinquent, and the time of the meeting of the county tax appeal board, must be stated in such form."

Section 11. Section 84-510, R.C.M. 1947, is amended to read as follows:

"84-510. List of lands sold by state to be transmitted by state land agent. On or before the first ~~Monday in March~~ day of January in each year, the state land agent must make out and transmit to the department of revenue where lands or

lots lie that ~~may~~ have been sold by the state, for which certificates of purchase, patents, or deeds have issued, during the year preceding, certified lists of such lands or lots, giving a description thereof by divisions or subdivisions, or lots and blocks, together with the names of the purchasers thereof."

Section 12. Section 84-3808, R.C.M. 1947, is amended to read as follows:

"84-3808. Tax on personal property lien on realty—separate assessment. (a). Every tax due upon personal property is a prior lien upon any or all of such property, which lien shall have precedence over any other lien, claim or demand upon such property, and except as hereinafter provided, every tax upon personal property is also a lien upon the real property of the owner thereof, from and after 12 ~~at~~ midnight of the first ~~Monday in March~~ day of January in each year.

(b). The taxes upon personal property based upon a taxable value up to and including one thousand dollars (~~\$1000.00~~) (\$1000) shall be a first and prior lien upon the real property of the owner of such personal property; taxes upon personal property based upon the taxable value thereof in excess of one thousand dollars (~~\$1000.00~~) (\$1000) shall be a first and prior lien upon the real property of the owner unless the owner or holder of any mortgage or other

1 lien upon said real property appearing of record in the
 2 office of the clerk and ex officio recorder of the county
 3 where such real property is situated at or before the time
 4 such personal property tax attached thereto shall have filed
 5 the notice hereinafter provided for, in which event the
 6 taxes upon such excess of one thousand dollars (~~\$1000.00~~)
 7 (\$1000) of taxable value shall not be a lien on the real
 8 property of such owner. It shall be the duty of the county
 9 treasurer to issue to any mortgagee or lien holder, upon his
 10 request, a statement of the personal property tax due upon
 11 the taxable value up to and including one thousand dollars
 12 (~~\$1000.00~~) (\$1000) and personal property taxes upon a
 13 taxable value up to one thousand dollars (~~\$1000.00~~) (\$1000)
 14 may be paid, redeemed from a tax sale as by law provided, or
 15 discharged separate from any personal property taxes in
 16 excess of such amount. Payment of such taxes upon a taxable
 17 value up to one thousand dollars (~~\$1000.00~~) (\$1000) as
 18 herein provided, shall operate to discharge the tax lien
 19 upon the personal property of the owner to the extent of
 20 such payment in the order that the person paying such tax
 21 shall direct.

22 (c). The holder of any mortgage or lien upon real
 23 property who desires to obtain the benefits of this section
 24 shall file in the office of the county treasurer of said
 25 county a notice giving;

- 1 (1) the name and address of the mortgagee and holder of
- 2 the mortgage or lien;
- 3 (2) the name of the reputed owner of the land;
- 4 (3) the description of the land;
- 5 (4) the date of record and expiration of the mortgage
- 6 or lien;
- 7 (5) the amount thereof; and
- 8 (6) a statement that he claims the benefit of the
- 9 provisions of this section; and such notice shall be
- 10 ineffectual as to any taxes which shall have become a lien
- 11 on real property prior to the filing of such notice as
- 12 aforesaid. If the mortgage be not paid at maturity, such
- 13 notice shall thereafter be filed annually, unless the
- 14 mortgage be extended for a definite period to be stated in
- 15 such notice.
- 16 (d). Provided, that any owner of a mortgage on real
- 17 estate upon which personal property taxes are by this act
- 18 made a lien, and where the owner of such real estate and
- 19 personal property has failed to pay taxes due upon such real
- 20 estate and personal property for one or more years, may file
- 21 with the department of revenue or its agent in the county in
- 22 which such property is located a written request to have the
- 23 personal property and real estate of the owner separately
- 24 assessed. Such request must be made by registered mail at
- 25 least ten (10) days prior to the first ~~Monday in March~~ day

1 of January in the year for which property is assessed. Upon
 2 receipt by the department of revenue or its agent of such
 3 request, it is hereby made the duty of the department of
 4 revenue or its agent to make a separate assessment of real
 5 and personal property of the owner thereof and such personal
 6 taxes shall not be a lien upon the real estate so mortgaged
 7 of the owner thereof and the said personal property taxes
 8 shall be collected in the manner provided by law for other
 9 personal property."

10 Section 13. Section 84-3809, R.C.M. 1947, is amended
 11 to read as follows:

12 "84-3809. Tax upon real property and tax on
 13 improvements a lien upon both. Every tax due upon real
 14 property is a lien against the property assessed; and every
 15 tax due upon improvements upon real estate assessed to
 16 others than the owner of the real estate is a lien upon the
 17 land and improvements; which several liens attach as of the
 18 first ~~Monday of March~~ day of January in each year."

19 Section 14. Section 84-4192, R.C.M. 1947, is amended
 20 to read as follows:

21 "84-4192. Land subject to taxation to purchaser—when.
 22 On the first ~~Monday of March~~ day of January following the
 23 execution of such contracts or deed the land shall be
 24 subject to taxation in the name of the purchaser or his
 25 assignee and in the event the taxes are not paid and the

1 same become delinquent said contract shall be subject to
 2 cancellation and all payments theretofore made shall be
 3 taken, treated, and regarded as rent for said property."

4 Section 15. Section 84-4209, R.C.M. 1947, is amended
 5 to read as follows:

6 "84-4209. Rate of taxation where property is taxable.
 7 All rates of tax levy set by the board of county
 8 commissioners on the second Monday in August of each year,
 9 shall apply permanently to this class of personal property
 10 during the ensuing year, and the treasurer shall, upon
 11 collection of any such taxes, immediately distribute the
 12 money so collected to the various and proper funds in his
 13 charge. Personal property which was in the state and
 14 subject to taxation on the first ~~Monday of March~~ day of
 15 January of any year shall be taxable wherever and whenever
 16 found in any county in the state, whether the same be owned,
 17 claimed, or possessed by the person owning, claiming or
 18 possessing it on the first ~~Monday of March~~ day of January or
 19 not; provided, that in case the same property is assessed in
 20 more than one county, the county first making the assessment
 21 shall be entitled to collect the taxes; provided further,
 22 that if the rate of taxation fixed for the year in which the
 23 collection is made is an increase over the preceding year's
 24 levy, then the said board of county commissioners may direct
 25 the county treasurer to collect the amount of such increased

1 levy, but shall not be obliged to do so in cases where, in
2 the opinion of the board, the cost of collection would
3 exceed the amount of such increase, and provided further
4 that if the rate fixed for the year in which the collection
5 is made shall be less than the levy for the preceding year,
6 then the person from whom such excess tax was collected may
7 file with the board of county commissioners a duly verified
8 claim for a refund of such excess tax, at any time before
9 the first day of November of the year in which such an
10 excess was collected, and such claim shall be allowed and
11 ordered paid by the board of county commissioners to the
12 amount of such excess."

13 Section 16. Section 84-4604, R.C.M. 1947, is amended
14 to read as follows:

15 "84-4604. Statements to be furnished by officers. The
16 cashier of every national bank shall make and deliver to the
17 department of revenue or its agent in the county in which
18 said bank is located, within five days after demand
19 therefor, a statement, verified by his oath, showing the
20 name of each shareholder, with his residence and the number
21 of shares belonging to him at the close of business ~~the day~~
22 ~~next preceding the first Monday in March, in~~ on December 31
23 each year, as the same then appeared on the books or said
24 bank, and showing the face value of the capital stock, and
25 the amount of surplus and undivided profits of said bank,

1 and an estimate of the value for which such stock shall be
2 assessed. If said cashier fails to make such statement as
3 required, the department of revenue or its agent shall
4 forthwith obtain said information from the officers of the
5 bank and for this purpose shall have access to the books of
6 the bank, and the department or its agent shall therefor
7 make an assessment of such stock, which shall be as fair and
8 equitable as can be made from the best information
9 available, or the figures disclosed by any prior report of
10 the officers or directors of the bank, made to any state or
11 federal officer to whom such bank is by law required to make
12 reports, may be adopted."

13 Section 17. Section 84-4605, R.C.M. 1947, is amended
14 to read as follows:

15 "84-4605. Taxation of banks and shares of stock in.
16 (1) Every state bank or banking corporation located and
17 doing business in this state, and every private banker doing
18 business in this state, shall be taxable upon the value of
19 all real estate and personal property owned by such bank,
20 banking corporation or private banker, and also upon the
21 moneyed capital employed in such business, such moneyed
22 capital to be ascertained as provided by section 84-301; and
23 the cashier or secretary of every such bank or banking
24 corporation, and every such private banker, shall furnish to
25 the department of revenue or its agent in the county in

which its or his bank is located, within five days after demand therefor, a statement verified by his oath, showing all the resources and liabilities of such bank as disclosed by its books, at ~~twelve o'clock noon on the first Monday of March in each~~ the close of business on December 31 of the preceding year; if such cashier, secretary or private banker shall fail to make the statement hereby required, the department or its agent shall forthwith obtain such information from any other available source, and for this purpose shall have access to the books of such bank, banking corporation or private banker. The department or its agent shall thereupon make an assessment of the real estate and personal property owned by such bank, banking corporation or private banker, and of the moneyed capital employed in the business of such bank, banking corporation or private banker, which assessment shall be as fair and equitable as can be made from the best information available or, for the purpose of said assessment the figures disclosed by any prior report made by such bank, banking corporation or private banker to any state or federal officer pursuant to any state or federal law may be adopted. Any person required by this section to make the statement hereinabove provided, who shall fail to furnish the same, shall be guilty of a misdemeanor and shall be punished accordingly.

(2) All shares of stock in any such bank or banking

corporation shall be assessed at their full cash value, except to the extent that that value is represented in property which is assessable and taxable to such bank or banking corporation in this state, and shall be taxable to the owners of such shares in the county, school district, city, town, or place where such bank or banking corporation is located and not elsewhere, whether or not the owners of such shares are residents of such county, school district, city, town or place.

(3) The cashier or secretary of any such bank or banking corporation shall furnish to the department or its agent, upon demand, the name of each stockholder with his residence and the number of shares belonging to him at ~~twelve o'clock noon of the first Monday in March of each~~ the close of business on December 31 of the preceding year; and if such cashier or secretary, for more than five days after such demand, shall fail to furnish such information, he shall be guilty of a misdemeanor and the department or its agent may obtain such information from any other available source, and for such purposes shall have access to the books of such bank or banking corporation. For convenience the assessment of such shares shall be entered on the personal property assessment list under the name of the bank or banking corporation concerned, but in the assessment list the names of the owners of such shares shall be set forth

1 and the number of shares owned by each, and such assessment,
 2 when so entered, shall have all the force and effect as if
 3 made in the names of the owners of such shares individually.
 4 The bank or banking corporation in which such shares are
 5 owned shall be liable for the payment of taxes assessed
 6 against such shares, and such taxes shall be payable by and
 7 may be collected from such bank or banking corporation in
 8 the same manner and under the same penalties as other taxes;
 9 provided that such bank or banking corporation may recover
 10 from such owners of shares any taxes so paid on such shares,
 11 and shall have a lien therefor upon such shares and upon any
 12 dividends accrued or to accrue thereon."

13 Section 18. Section 84-4606, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-4606. Banks with offices in more than one
 16 county—assessment and apportionment of tax. Any state or
 17 national bank, banking corporation, or private bank, the
 18 stock, moneyed capital, or moneys and credits of which are
 19 subject to taxation under the provisions of chapter 3 and
 20 chapter 46, Title 84, Revised Codes of Montana, 1947, and
 21 which has banking offices in more than one (1) county, shall
 22 furnish to the department of revenue or its agent in each
 23 such county the information required of it by chapter 46,
 24 Title 84, Revised Codes of Montana, 1947, together with a
 25 statement of the book value of real estate owned and located

1 in the respective counties and a statement of the deposit
 2 liability shown by the books of account of said bank at each
 3 of its said banking offices at the close of business ~~the day~~
 4 ~~next preceding the first Monday in March~~ on December 31 of
 5 the preceding year; and the aggregate tax on the stock,
 6 moneyed capital, and moneys and credits of such bank
 7 computed as provided by law shall be assessed by and be paid
 8 to the respective counties in the proportion which the
 9 amount of the deposit liability shown on the books of the
 10 office or offices of such bank located in such counties,
 11 respectively, shall bear to the total deposit liability of
 12 such bank."

13 Section 19. Section 84-5801, R.C.M. 1947, is amended
 14 to read as follows:

15 "84-5801. Production credit associations—assessment
 16 and payment. Every production credit association organized
 17 under the provisions of section 1131d of title 12, United
 18 States Codes annotated shall be assessed for and pay taxes
 19 upon all real and personal property owned by such
 20 association, and also upon the moneyed capital employed in
 21 such business, such moneyed capital to be ascertained by
 22 deducting from the amount of loans, including loans secured
 23 by mortgage on real estate or personal property, the amount
 24 of such loans discounted, and any indebtedness representing
 25 money borrowed for use as moneyed capital. Said moneyed

1 capital shall be taxed at the same rate and take the same
2 classification as shares of stock in a national bank or
3 moneyed capital coming into substantial competition
4 therewith.

5 The secretary or managing agent of every such
6 association shall furnish to the assessor of the county in
7 which the principal office of such association is located,
8 within five (5) days after demand therefor, a statement in
9 such detail as the department of revenue or its agent may
10 require, verified by his oath of the resources and
11 liabilities of such association as disclosed by its books,
12 ~~at twelve o'clock noon on the first Monday of March in each~~
13 ~~the close of business on December 31 of the preceding year.~~

14 If such secretary or managing agent shall fail to make the
15 statement hereby required, the department of revenue or its
16 agent shall forthwith obtain such information from any other
17 available source, and for this purpose he shall have access
18 to the books of such association. The department of revenue
19 or its agent shall thereupon make an assessment of the real
20 estate and personal property owned by such association, and
21 of the moneyed capital employed in the business of such
22 association which assessment shall be as fair and equitable
23 as he may be able to make from the best information
24 available, or said assessor may, for the purpose of said
25 assessment, adopt the figures disclosed by any prior report

1 made by such association to any state or federal officer
2 pursuant to any state or federal law. Any person required
3 by this section to make the statement hereinabove provided,
4 who shall fail to furnish the same, shall be guilty of a
5 misdemeanor and shall be punished accordingly."

6 Section 20. Section 84-6012, R.C.M. 1947, is amended
7 to read as follows:

8 "84-6012. Livestock brought into state—notice to
9 department of revenue or its agent. The owner or the agent,
10 manager or foreman of any person, corporation, or
11 association bringing livestock into this state after the
12 ~~first Monday in March~~ day of January shall immediately after
13 said livestock crosses the state line, forward to the
14 department of revenue or its agent in the county into which
15 the livestock is moved, a registered letter, which letter
16 shall contain the name of the owner of such livestock, of
17 the number thereof, the brand thereon, and the ages of the
18 same, together with the time and place at which said
19 livestock was brought across the state line, provided, that
20 ~~the Montana department of livestock sanitary board~~ at least
21 once each month furnish, from own records to the department
22 of revenue or its agent in the county into which such
23 livestock is moved, a list of the number and kind of
24 livestock so moved, together with the name of the owner
25 thereof."

1 Section 21. Section 84-6013, R.C.M. 1947, is amended
2 to read as follows:

3 "84-6013. Collection of tax on livestock. The
4 department of revenue or its agent upon receipt of such
5 letter or other information, that livestock has been brought
6 into his county from outside of the state, after the first
7 ~~Monday in March~~ day of January in any year, shall
8 immediately proceed under the provisions of section
9 84-4201."

10 Section 22. Section 89-1805, R.C.M. 1947, is amended
11 to read as follows:

12 "89-1805. Determination of irrigable area. (1) For the
13 purpose of determining the number of acres of irrigable
14 lands in each forty-acre tract or fractional lot as
15 designated by the United States public survey, or platted
16 lot, if land is subdivided in lots and blocks (or where land
17 shall be owned in less than forty-acre tracts or in less
18 than the platted lot, then against each such tract) of land
19 in the district, the board of commissioners of any
20 irrigation district organized hereunder, whenever deemed
21 advisable and at any time except as otherwise provided, may
22 cause a careful topographical survey and map of said lands
23 to be made, as well as a specific examination of the
24 character of the soil of each such tract. Upon completion
25 of such survey and maps, and examination, the board shall

1 give notice that at a meeting of said board, to be held at
2 the office of the board on a day to be fixed in said notice,
3 said board will determine the irrigable area of each such
4 tract of land in the district and that it will hear and
5 consider any objection on the part of any landowner in the
6 district to such determination and to adjustment of the
7 irrigable area of said district or of any lands within any
8 tract or subdivision thereof. It shall not be necessary to
9 describe said tracts in said notice. Such notice shall be
10 given by publication, once a week for two successive
11 calendar weeks, in a newspaper of general circulation in the
12 county where the office of the board is located, and where
13 lands of any irrigation district lie in more than one
14 county, such notice shall also be published in a newspaper
15 or newspapers of general circulation in each such county.
16 The last publication of said notice shall be at least five
17 days prior to the date fixed for said meeting.

18 (2) At such meeting, the board shall proceed to
19 determine and fix the number of acres in each tract or
20 subdivision irrigable from the works or proposed works of
21 the district, and shall hear all persons interested who may
22 appear, and shall continue in session from day to day
23 (exclusive of Sundays and legal holidays) as long as may be
24 necessary and until said determination of irrigable area
25 shall have been completed. The board shall hear all

evidence offered, including maps and surveys caused to be prepared by it as well as maps and surveys prepared by any owner of lands. Upon such determination, the irrigable area so fixed shall become, and thereafter be, the acreage upon which any special tax or assessment shall be levied, and each irrigable acre shall pay at the same rate as every other acre of irrigable land in said district shall pay; and any special tax or assessment levied for any purpose shall be a lien upon the entire forty-acre tract or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where land shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) of land in the district of which said irrigable area forms a part, and said lien shall attach to said entire tract as of the first ~~Monday of March~~ day of January in the year in which said special tax or assessment is levied.

(3) Upon completing such determination, the board shall fix, by appropriate resolution or order, the total acreage and the irrigable acreage of each such tract or subdivision, and shall cause to be prepared a list of all lands in said district, which list shall contain an accurate description of each such forty-acre tract or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where land

shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) of land in said district, the total acreage and the number of irrigable acres therein as so fixed and determined, and the name of the owner, or holder of title or evidence of title thereof, ascertained as provided in section 89-1201. Such list, when completed and adopted, shall be filed in the office of the board of commissioners and shall remain there for public inspection. A certified copy of such resolution and list shall be filed with the county clerk and recorder of each county in which any portion of the lands in said district are situated; provided, however, there shall be omitted from such copy lands not situated in the county in which such copy is filed.

(4) No special tax or assessment shall be levied against any forty-acre tract, or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where lands shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) found by said board to contain no irrigable land; nor shall any lien created after the order of determination herein provided for attach to any such tract, nor shall the owner, or owners, of any tract or tracts have any vote or votes in any proceeding or election under the provisions of Chapter

1 146 of the Laws of 1909, or any amendment thereof, or act
2 supplementary thereto, after the making of such order,
3 unless his said land, or a portion thereof, be found by said
4 board to contain an area irrigable from the works, or
5 proposed works, of said district.

6 (5) Upon the determination provided for in this
7 section, the board of commissioners shall have the power to
8 refund any taxes paid, or cancel any unpaid taxes or
9 assessments, levied upon an acreage in excess of that so
10 fixed by said order of determination, and where necessary,
11 may issue warrants therefor.

12 (6) Within sixty days after such resolution adopting
13 said list, the board of commissioners may petition the
14 district court for confirmation of their acts in determining
15 the irrigable area, as aforesaid, and in refunding or
16 canceling any taxes or assessments. The majority in number
17 and acreage of the holders of title or evidence of title to
18 lands in said district, ascertained as in this act provided,
19 may, likewise, within such sixty-day period, petition the
20 district court for review of the actions of the board of
21 commissioners. But one of such proceedings, if prosecuted
22 to determination, shall be exclusive of the other. Upon
23 such proceeding, the court may order any assessment of taxes
24 upon any land or lands to be reduced or raised according to
25 the irrigable area as found by the court, or taxes

1 previously levied upon any area shown to be excessive, to be
2 refunded or canceled.

3 (7) The provisions of section 89-1402, regarding the
4 procedure as well as the right and time to appeal, shall
5 apply to any proceeding instituted in pursuance of the
6 provisions of this section; provided, however, that nothing
7 in this section shall be deemed or construed to affect or
8 impair the lien of any bonds issued by the district; and
9 provided, further, that if confirmation proceedings are held
10 and a certified copy of the order of confirmation be filed
11 with the county clerk and recorder of the county in which
12 any portion of said lands is situated, it shall not be
13 necessary to file in said office the certified copy of the
14 resolution and order of the board, or of the list,
15 hereinabove provided for.

16 (8) Provided, however, that where districts have been
17 established in order to co-operate with the United States
18 under the federal reclamation laws heretofore or hereafter
19 enacted, or under any act of Congress, which shall permit of
20 the performance by the United States of work in this state,
21 for the purposes of construction of irrigation works,
22 including drainage works, or for purchase, extension,
23 operation, or maintenance of construction works, or for the
24 assumption as principal or guarantor, of indebtedness to the
25 United States on account of district laws, the determination

of the irrigable area of the lands in said district may be made by the said board of commissioners in the manner in this section provided or by the United States at the option of the latter, and, if the United States determines the irrigable area, the proceeding for the apportionment and distribution of the costs of the proposed works or improvements, hereinafter provided for in section 89-1806 shall not be had."

Section 23. Section 89-1806, R.C.M. 1947, is amended to read as follows:

"89-1806. Determination of irrigable area—
apportionment and distribution of costs of proposed works or improvements. (1) Whenever a petition for the issuance of bonds of any irrigation district organized hereunder shall have been filed, as hereinbefore in section 89-1703 provided, the board of commissioners of such district shall examine, or cause to be examined, each forty-acre tract or fractional lot as designated by the United States public survey, or platted lot, if land is subdivided in lots and blocks (or where land shall be owned in less than forty-acre tracts or in less than the platted lot, then against each such tract) of land in said district, and cause a careful topographical survey and map to be made, in the manner provided for in section 89-1805. Upon such examination, the board shall determine the number of irrigable acres in each

such tract; and shall apportion and distribute the cost of the works or improvements for which said bonds are to be issued, over the tracts within said district according to the irrigable area in each of said tracts or subdivisions, so that each such irrigable acre shall be required to bear the same burden of such costs as each other irrigable acre in said district, and the special tax or assessment levied to meet the principal of and interest on said bonds so authorized, shall become a lien upon the entire tract of which such irrigable area forms a part or portion as of the first ~~Monday in March~~ day of January of the year in which such special tax or assessment is levied, and the number of irrigable acres in each such tract as so determined shall not be diminished but may be increased during the term for which any such bonds may be issued or until the bonds shall be liquidated in full.

(2) Provided, however, that if a proceeding for the determination, in whole or in part, of the irrigable area of the lands in said district has already been had, or a topographical survey or maps thereof prepared, or a court confirmation of said prior proceedings had, in part or in full, the said board may, in its discretion, adopt all or such portions of said prior proceedings; and in such an event, it shall not be necessary to cause an additional survey, or maps, or examination, of any of such tracts to be

again made, or to redetermine the irrigable area of any such tract.

(3) The board shall make such determination after hearing had and shall fix the total acreage and the irrigable acreage, and shall cause a list of such irrigable area to be made and filed and the proceedings of the board in connection with such determination, including said hearing and notice of said hearing, and order or resolution fixing the irrigable area and the preparation and filing of said list, shall conform to the requirements set forth in section 89-1805. At such hearing, the said board shall also determine the amount and rate per acre necessary to be levied against each irrigable acre in the district to meet the interest on and principal of said authorized bond issue, and any tax levied for such purposes shall be a lien upon the entire tract of which said irrigable area forms a part. If any landowner in the district shall appear before the board at said time and pay in cash the amount fixed against his said land as its proportion of the amount found necessary for the purposes for which said bonds were authorized and are to be issued, his land shall be excluded from the lien of the bond issue and the amount of bonds intended to be issued shall be reduced by the amount of such payment. Any person interested who shall fail to appear before the board at said meeting shall not thereafter be

permitted to contest the proceedings of said board, or any part thereof, except upon special application to the court in the proceedings for the confirmation of said bonds and a showing of reasonable excuse for failure to appear before said board of commissioners.

(4) In case any such landowner makes objection to the proceedings of said board in determining the irrigable area in his own or any other tract of land, or the amount or rate per acre of the special tax and assessment to be levied against each irrigable acre in the district for the purposes of the proposed bond issue, and said objection is overruled by the board, such objection without further proceedings shall be regarded as appealed to the district court, and shall, with the other proceedings of said board at said meeting, be heard at the proceedings to confirm said bonds, as provided in section 89-1704, and when so confirmed, said order overruling such objection and confirming the order of the board determining the irrigable area of each tract of land and apportioning the cost of the improvement thereto, shall become final, binding and conclusive upon said landowner and upon the district, unless appealed from as in said section 89-1704 provided.

(5) Provided, however, that whenever the irrigable area of the lands in any irrigation district shall have been determined and confirmed, no owner or holder of title or

1 evidence of title to lands in said district, during the
2 period of any bonds thereafter authorized shall be issued
3 and outstanding, shall have the taxable acreage of his said
4 lands fixed or adjudicated in the manner provided by
5 sections 89-1404 to 89-1408, in such manner or to such
6 extent as to reduce the acreage subject to the payment of
7 such bonds or interest thereon, or in such manner as to
8 affect the security of such bonds or interest thereon."

9 Section 24. Section 16-4311, R.C.M. 1947, is amended
10 to read as follows:

11 "16-4311. Withdrawal of portion of district, petition
12 for. Any portion of a public hospital district may be
13 withdrawn therefrom as in this section provided, upon
14 receipt of a petition signed by fifty-one per centum (51%)
15 of the taxpayers, or more, residing in and owning property
16 within the area desired to be withdrawn from any public
17 hospital district, on the grounds that such area will not be
18 benefited by remaining in said district. The board of
19 county commissioners shall, upon the filing of such a
20 petition, fix a time for the hearing of such withdrawal
21 petition which time shall not be more than four (4) weeks
22 after the receipt thereof. The board shall, at least two
23 (2) weeks prior to the time so fixed, publish a notice of
24 such hearing in two (2) successive issues of a newspaper
25 published in the county. No petition for withdrawal shall

1 be entertained or acted upon by the board, unless the same
2 is filed before ~~the first Monday in March of any~~ December
3 31 of the preceding year. Any person interested may appear
4 at said hearing and present objections to the withdrawal of
5 said portion from said district. The board shall consider
6 the petition and all objections thereto, and pass upon the
7 merits thereof, and make its order in accordance therewith.
8 Any withdrawal shall be effective as of ~~March~~ January 1
9 following the issuance of the withdrawal order. Such order
10 is subject to review by the district court of the county,
11 and appeal may be taken from the final judgment of such
12 district court to the supreme court of Montana. All taxable
13 property within the withdrawn area shall remain subject to
14 taxation for any bonded indebtedness of the hospital
15 district existing as of the effective date of the
16 withdrawal, to the same extent as it would have been subject
17 if not withdrawn."

18 Section 25. Section 75-6505, R.C.M. 1947, is amended
19 to read as follows:

20 "75-6505. Time limitation for district boundary
21 changes. No elementary district shall be created nor shall
22 any elementary district boundaries be changed between the
23 first day of ~~March~~ January and the second Monday of August
24 of any calendar year except when:

25 (1) the entire territory of a district is annexed or

1 attached to another district;
2 (2) the entire territory of the portion of a joint
3 district located in one (1) county is annexed or attached to
4 another district; or
5 (3) two (2) or more districts are consolidated in their
6 entirety."

-End-